

CRANFIELD UNIVERSITY

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Customer Perceived Value:
Reconceptualisation, Investigation and Measurement

School of Management

PhD Thesis
Academic Year: 2013 - 2014

Supervisor: Professor Hugh Wilson
September 2013

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ABSTRACT

The concept of customer perceived value occupies a prominent position within the strategic agenda of organisations, as firms seek to maximise the value perceived by their customers as arising from their consumption, and to equal or exceed that perceived in relation to competitor propositions. Customer value management is similarly central to the marketing discipline. However, the nature of customer value remains ambiguous and its measurement is typically flawed, due to the poor conceptual foundation upon which previous research endeavours are built.

This investigation seeks to address the current poverty of insight regarding the nature and measurement of customer value. The development of a revised conceptual framework synthesises the strengths of previous value conceptualisations while addressing many of their limitations. A multi-dimensional depiction of value arising from customer experience is presented, in which value is conceptualised as arising at both first-order dimension and overall, second-order levels of abstraction.

The subsequent operationalisation of this conceptual framework within a two-phase investigation combines qualitative and quantitative methodologies in a study of customer value arising from subscription TV (STV) consumption. Sixty semi-structured interviews with 103 existing STV customers give rise to a multi-dimensional model of value, in which dimensions are categorised as restorative, actualising and hedonic in type, and as arising via individual, reflected or shared modes of perception. The quantitative investigation entails two periods of data collection via questionnaires developed from the qualitative findings, and the gathering of 861 responses, also from existing STV customers. A series of scales with which to measure value dimensions is developed and an index enabling overall perceived value measurement is produced.

Contributions to theory of customer value arise in the form of enhanced insights regarding its nature. At the first-order dimension level, the derived dimensions are of specific relevance to the STV industry. However, the empirically derived framework of dimension types and modes of perception has potential applicability in multiple contexts. At the more abstract, second-order level, the findings highlight that value perceptions comprise only a subset of potential dimensions. Evidence is thus presented of the need to consider value at both dimension and overall levels of perception. Contributions to knowledge regarding customer value measurement also arise, as the study produces reliable and valid scales and an index. This latter tool is novel in its formative measurement of value as a second order construct, comprising numerous first-order dimensions of value, rather than quality as incorporated in previously derived measures. This investigation also results in a contribution to theory regarding customer experience through the identification of a series of holistic, discrete, direct and indirect value-generating interactions.

Contributions to practice within the STV industry arise as the findings present a solution to the immediate need for enhanced value insight. Contributions to alternative industries are methodological, as this study presents a detailed process through which robust value insight can be derived. Specific methodological recommendations arise in respect of the need for empirically grounded research, an experiential focus and a two-stage quantitative methodology.

Keywords:

Customer Value, Customer Experience, Subscription Television, Qualitative Research, Scale Development, Partial Least Squares-Structural Equation Modelling.

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GLOSSARY

Affective Commitment

A customer's emotional commitment to their relationship with a firm (Gustafsson et al., 2005)

Brand Attachment

The strength of the bond connecting the brand with the self (Park et al., 2010)

Calculative Commitment

An individual's rational, economic-based dependence on product benefits, due to a lack of choice or switching costs (Gustafsson et al., 2005).

Consumer Trust

A consumer's confidence in a firm's reliability and integrity (adapted from De Wulf et al., 2001).

Convergent Validity

The degree of association among different scales that claim to measure the same phenomenon (McDaniel and Gates, 1996).

Content Validity

The extent to which an index measures all facets of a construct (Hair et al., 2013).

Customer Advocacy

The propensity for an individual to promote a firm via positive word of mouth (Fullerton, 2003)

Customer Experience

An individual's subjective response to their holistic interaction with a firm or its offering (adapted from Lemke et al., 2011).

Customer Gratitude

The emotional appreciation of benefits received accompanied by a desire to reciprocate (Palmatier et al., 2009).

Customer Satisfaction

A customer's evaluation of the performance of an offering (Gustafsson et al., 2005).

Customer Perceived Value

The extent to which an individual perceives the outcomes arising from customer experience as positive and personally beneficial (definition derived by the author. See Chapter 7).

Discriminant Validity

Arises when a new scale or index is found not to measure concepts which are similar yet distinctly different to the phenomenon of interest (McDaniel and Gates, 1996).

Face Validity

The degree to which a scale item is intuitively felt to reflect a specific phenomenon (McDaniel and Gates, 1996).

Nomological Validity

The extent to which a measurement tool correlates with related concepts in a way that is consistent with a theoretical model (McDaniel and Gates, 1996)

Reliability

The degree of consistency offered by a scale (Hair et al., 2006)

Quality

A feature of a product or service, embedded in the offering through design characteristics and the extent to which they present excellence or superiority (Adapted from Macdonald et al., 2011; Holbrook and Corfman, 1985 and Zeithaml, 1988)

LIST OF ABBREVIATIONS

AG	Altruistic Gratification Value
AP	Assured Performance Value
AVE	Average Variance Extracted
CB-SEM	Covariance-Based Structural Equation Modelling
CF	Comfort Value
CFA	Confirmatory Factor Analysis
CFI	Comparative Fit Index
CO	Control Value
CP	Companionship Value
EFA	Exploratory Factor Analysis
ET	Entertainment Value
HH	Household Harmony Value
KV	Knowledge Enhancement Value
OV	Overall Value
PLS-SEM	Partial Least Squares Structural Equation Modelling
RE	Reduced Expenditure Value
RMSEA	Root Mean Square Error of Approximation
RP	Reciprocity Value
RS	Relationship Support Value
RX	Relaxation Value
SE	Self-Esteem Value
ST	Status Value
STV	Subscription Television
SV	Stimulation Value
TLI	Tucker Lewis Index
VIF	Variance Inflation Factor

1 Introduction

The aim of this introductory chapter is to present an overview of the investigation reported within this thesis. Details of the research background and rationale are provided. An outline of the conceptual model developed as a foundation for the empirical investigation is presented and details of the studies undertaken, the research design and methodology, findings and resulting contributions, are provided. An outline of the remaining chapters within this document is then presented. This chapter aims to capture a complete yet abridged version of the research undertaken, with a richer, more detailed report of the investigation provided in the remaining chapters.

1.1 Research Background & Rationale

“A company can only outperform rivals if it can establish a difference that it can preserve. It must deliver greater value to customers or create comparable value at a lower cost, or do both” (Porter, 1996, p. 62).

This opening quotation highlights the prominence of customer value within the strategic agenda of organisations. Linked to improved customer satisfaction, loyalty, higher revenues and profitability (Desarbo et al., 2001; Khalifa, 2004; Parasuraman and Grewal, 2000), customer value maximisation remains prevalent within the objectives of market-oriented firms striving to achieve a commercial advantage (Kohli and Jaworski, 1990). Within the marketing discipline, the concept of value occupies a similarly fundamental position, as captured by the most recent American Marketing Association definition of marketing: “marketing is the activity, set of institutions and processes for creating, communication, delivering and exchanging offerings that *have value for customers, clients, partners and societies at large*” (American Marketing Association, 2007, emphasis added).

Inherent within this rhetoric are two key assumptions. First, it is implied that the nature of value perceived by customers is (or at least can be) clearly demarcated and understood by those tasked with its delivery and maximisation. This assumption arises logically from the assertion within Porter's (1996) statement that firms 'must deliver value'. It is unrealistic to focus strategic endeavours on the provision of something that is not or cannot be defined. Second, it is implied that customer value perceptions can be reliably measured, in order to ensure that the value delivered is comparable with or superior to that of competitor providers. However, in reality neither of these assumptions holds true. The nature of customer value remains ambiguous (Woodall, 2003) and the extent to which it is perceived is subsequently unclear, as investigations by both practitioners and scholars suffer from significant limitations due to the flawed conceptual foundation upon which they are based, as I will outline in the next chapter. The subsequent derivation of unsound conclusions from such research endeavours contributes to the on-going poverty of robust customer value insight.

These limitations associated with customer value research arise as the concept of customer value is "ill-defined and elusive" (Grönroos and Voima, 2013, p. 134). Customer value is in practice an "umbrella term" (Woodall, 2003, p. 1), that captures a variety of competing and conflicting conceptualisations that share a single common theme in seeking to describe the value perceived by the customer, rather than the value of the customer to the firm (a very different usage of the term customer value and variants such as customer lifetime value, which are outside the focus of this thesis). The customer value domain offers two high-level approaches to customer value conceptualisation (Sanchez-Fernandez and Iniesta-Bonilla, 2007). A one-dimensional perspective describes customer value perception as the outcome of a cognitive process whereby customers trade off the utilitarian benefits and sacrifices associated with a consumption event (Zeithaml, 1988). In this one-dimensional perspective, the specific benefits and sacrifices are not of interest; rather, customer value is conceived as a valenced unitary construct summarising the result of this trade-off. The alternative multi-dimensional conceptualisation of

customer value posits that overall value perceptions comprise numerous, diverse value dimensions (Sanchez-Fernandez and Iniesta-Bonillo, 2007), thereby presenting a more comprehensive and granular description of the factors underlying perceived value. Recent conceptual evolution within the customer value domain, inspired by the foundational principles of the emergent service dominant logic paradigm, has expanded the value commentary to include terminology such as value-in-use (Vargo and Lusch, 2004), value-in-context (Vargo, 2008), value-in-social-context (Edvardsson et al., 2011) and value in the experience (Helkkula et al., 2012). While contributing to conceptual clarification of the medium and process of value creation (Grönroos and Voima, 2013), a specific definition of value is not provided by these terms. Conceptual ambiguity therefore prevails.

The limitations associated with the conceptualisation of customer value result in a weak and flawed foundation for customer value research endeavours, leading to a paucity of actionable insight and conclusions of limited validity. The simplicity of definition and ease of operationalisation associated with the one-dimensional perspective result in a predominance to date of customer value studies adopting this approach (Sanchez-Fernandez and Iniesta-Bonillo, 2007). However, challenges arise to the validity of the assumed trade-off mechanism underlying the one-dimensional conceptualisation; scenarios arise in which positive value perceptions prevail, despite measurably high sacrifices and low benefits (Kim and Labroo, 2011; Ravald and Grönroos, 1996). Furthermore, this conceptualisation and research based thereupon fails to capture the complex nature of contributory benefits and sacrifices, subsequently offering limited actionable insight.

Despite offering a more granular description of factors contributing to value perception, the multi-dimensional perspective of value and research built thereupon is also limited, as a lack of clarity and rigour surrounds the conceptualisation of value in multi-dimensional form. The typologies most frequently adopted in customer value research (Holbrook, 1999; Sheth et al., 1991) lack a robust, empirically grounded foundation. Their generic nature

overlooks the highly context specific nature of customer value (Vargo and Lusch, 2008) and criticism has been levied at their emphasis on customer benefits and relative exclusion of the sacrifices involved in a consumption event (Sanchez-Fernandez and Iniesta-Bonilla, 2007). Furthermore, conceptual confusion arises as these typologies fail to delineate value from perceptions of quality and omit any consideration of value at the more abstract, overall level (Lin et al., 2005). Furthermore, limitations arise from the inherent complexity of existing multi-dimensional typologies that renders their empirical operationalisation challenging (Sanchez-Fernandez and Iniesta-Bonilla, 2007).

An alternative conceptualisation, proposed by Woodruff (1997) describes value in multi-dimensional terms as arising from the achievement of personal goals. While intuitively logical and seemingly superior to the typologies of Holbrook (1999) and Sheth et al. (1991) due its uncategorised and holistic depiction of value dimensions, Woodruff's (1997) conceptualisation is also limited. Like the typologies, it lacks any empirical derivation. Also, conceptual confusion with quality is observed within the definition of value. Furthermore, the focus on personal goals renders this conceptualisation complex to apply in an empirical context (Parasuraman, 1997).

Further value conceptualisations are presented by Lai (1995) and Woodall (2003), both of whom combine the one and multi-dimensional perspectives in complex models of value. While seemingly overcoming the theoretical limitations of alternative conceptualisations, the models of Lai (1995) and Woodall (2003) both lack an empirical foundation. Lai's (1995) model is also limited by its focus on value perception at the point of purchase decision. Moreover, no recommendations are made by the respective authors regarding a means of operationalising these highly complex models in value investigations.

The customer value domain is, therefore, characterised by competing and conflicting conceptualisations, all of which suffer from significant limitations. Consequently, no robust conceptual framework exists, upon which to base customer value research endeavours. The result is a lack of robust insight regarding the nature of customer value perception and its measurement. This

represents a gap in knowledge that renders the development and achievement of value-related corporate or marketing objectives difficult.

Accordingly, this investigation seeks to address this gap in knowledge, through the development of a revised customer value conceptualisation and its subsequent application to an empirical investigation of customer value, thereby generating insights regarding the nature of customer value and the means by which it can be measured.

1.2 Conceptual Framework

The conceptual framework developed within this investigation synthesises the strengths of existing value definitions while overcoming many of their limitations. A foundation for subsequent empirical investigation is therefore presented with greater underlying conceptual rigour than those previously proposed. Customer value is defined within the framework as *the extent to which an individual perceives the outcomes arising from customer experience as positive and personally beneficial*. The focus within the definition on multiple, uncategorised outcomes reflects the goal-driven perspective propounded by Woodruff (1997). The conceptualisation derived within this investigation is therefore multi-dimensional, with inherent comprehensiveness, granularity and idiosyncrasy. However, the complexity associated with the application of Woodruff's (1997) conceptualisation to empirical value investigation is overcome by the emphasis within this definition on outcomes rather than personal goals per se, that negates the need for direct investigation of the latter.

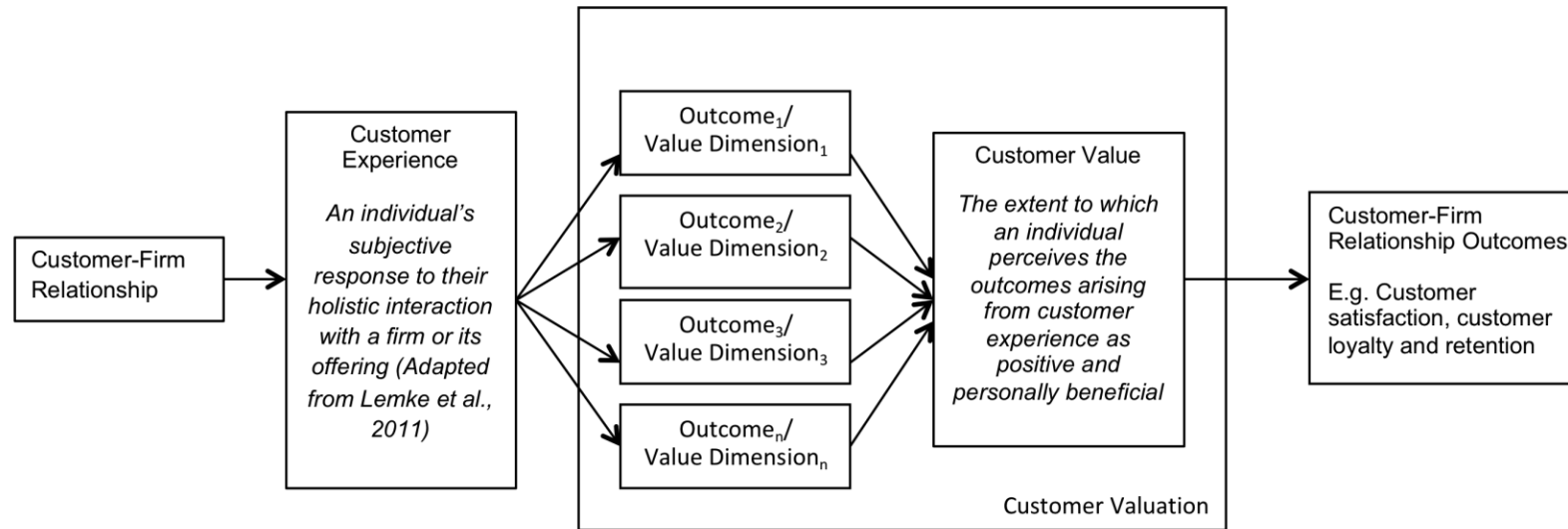
The definition of value overcomes the limitations associated with the leading value typologies' generic nature, as the focus on outcomes presents an uncategorised perspective of the value dimensions perceived. In addition, an over-emphasis on benefits as opposed to sacrifices is avoided; the inclusion of the phrase '*the extent to which*' within the definition of value allows for value creation (benefits exceed sacrifices) and value destruction (sacrifices exceed benefits). Moreover, through emphasising perceived personal benefits rather

than customer assessments of proposition attributes, the definition avoids any conceptual confusion with perceptions of quality. And, the conceptual model within this study reflects the abstract nature of value perceived, as the framework captures value perceptions at the level of individual dimensions (first-order) as well as an overall (second-order) value perception.

Customer experience, a term included within the customer value definition, is in turn defined as *an individual's subjective response to their holistic interaction with a firm or its offering*, a definition adapted from Lemke et al. (2011). The specification of customer experience as the source of customer value supports the desired comprehensive multi-dimensionality within the conceptualisation as its holistic nature gives rise to multiple, diverse customer responses (Verhoef et al., 2009) from which value perceptions will arise. In addition, a focus on customer experience reflects the service dominant logic foundational principles: that value is “uniquely and phenomenologically determined by the beneficiary” (Vargo and Lusch, 2008, p. 7) and that it emerges during a customer’s interaction with a firm or its offering via a continuous process of co-creation (Vargo and Lusch, 2004). However, these principles are incorporated within a definition of value (rather than value-in-use, value-in-context etc.), thereby capturing their important contributions to conceptualisation of the core notion of value and avoiding further conceptual ambiguity.

In addition to its conceptual strength, the revised conceptual framework supports future customer value research by providing direction as to the phenomena requiring direct examination. Specifically, the framework implies a necessary focus on the outcomes arising from customer experience in identifying the nature of customer value. Furthermore, the relationship between value dimensions and overall perceptions of value depicted within the conceptual framework presents clarification regarding the means of value measurement and the methodology required to develop the relevant tools. The conceptual framework developed within this investigation is presented in Figure 1 (overleaf). This is discussed in greater depth in Chapter 7.

Figure 1: Conceptual Framework



1.3 Research Questions

This investigation seeks to address the current lack of knowledge regarding the nature of customer value and its measurement. Accordingly, two research questions are developed and subsequently addressed:

Research Question 1: What is the nature of customer value arising from customer experience?

Research Question 2: How can customer value arising from customer experience be measured?

In addressing these high-level questions the research seeks to answer three sub-questions. Sub-question 1a enables the addressing of research question 1 while sub-questions 2a and 2b relate to research question 2. The sub-questions reflect the key areas of examination identified within the conceptual framework. Specifically, question 1a captures the definition of value as arising from the outcomes of customer experience, thus enabling the capture of information required to answer research question 1. Questions 2a and 2b relate to the depiction of value within the conceptual framework at both first-order dimension and more abstract, overall levels of perception.

Research Question 1a. The customer experience gives rise to the recognition by the customer of the achievement of which outcomes?

Research Question 2a. What items should be incorporated in measures of value dimensions?

Research Question 2b. What items should be incorporated in a measure of customer value as it arises from customer experience?

1.4 Research Methodology and Design

A two-phase methodology was designed and employed in order to address the research questions. Both phases of the investigation were conducted within the business-to-consumer context of subscription TV (STV) consumption, selected as the context of study due to its mass market relevance, its extensive penetration within the UK population, and its position within the broader, rapidly emerging mobile interactive entertainment industry. In addition, STV is a lifestyle proposition, offering a richness of insight regarding customer experience and outcomes from which value perceptions can be interpreted.

In phase 1, a qualitative investigation was undertaken to derive insights regarding the nature of customer value at the first-order dimension level. Sixty semi-structured interviews were carried out with the aim of identifying outcomes arising from customer experience from which value dimensions could subsequently be interpreted. Thirty of the interviews took place within respondents' homes and involved other household members where possible. The remaining thirty were conducted by telephone with individual interviewees. A total sample of 103 interviewees resulted, representing a diversity of household type, age, socioeconomic status, gender, location and subscription type. All respondents were current, mature STV customers of a single provider, who had held their subscription for at least twelve months. Phase 1 participants were requested to complete a pre-interview real-time experience tracker (Macdonald et al., 2012), which served to encourage a period of respondent self-reflection regarding customer experiences and outcomes. In addition, the tracker provided data for subsequent discussion during the interviews. The real-time experience tracking approach, a structured form of electronic diary, is described in greater detail later (Section 9.2.1.3). Phase 1 gave rise to a model of 16 distinct value dimensions, the interpretation of which was validated through extensive external coding checks.

Phase 2 involved a quantitative investigation that built on the findings of phase 1 and was designed to enable the development of tools with which to measure customer value perceptions at both the first-order dimension level and the

overall second-order level. In accordance with the nature of the relationships within the conceptualisation between outcomes, value dimensions and overall perceived value, and the resultant requirement for the reflective measurement of dimensions and formative measure of overall perceptions (Jarvis et al., 2003), distinct scale development (Churchill, 1979) and index development (Diamantopoulos and Winklhofer, 2001) procedures were employed. This two-stage approach to measure development ensured that the resulting scales and index were robust, reliable and valid.

Two processes of data collection via questionnaire were undertaken. The first questionnaire comprised a series of items designed to measure each of the value dimensions derived in phase 1, as well as a series of pre-existing measures of non-value constructs required for scale validity assessment. 430 responses were collected from existing STV customers of multiple providers. A process of purification and analysis produced a series of parsimonious, robust and valid scales with which to measure each of the value dimensions. The second stage of data collection entailed the issuing of a shortened questionnaire comprising the reduced sets of value dimension questions and, again, pre-existing non-value construct measures. 461 responses were collected from existing STV customers. The resulting data were analysed, reconfirming the psychometric properties of the value dimension scales, and producing an index which was subsequently evaluated using partial least squares structural equation modelling to determine its explanatory power and validity.

1.5 Summary of Research Findings

Phase 1 gave rise to a multi-dimensional model of value, comprising 16 distinct value dimensions, which, due to the sound underlying conceptualisation and robust empirical derivation, presents a valid description of the value arising from STV consumption at the first-order dimension level. This model includes two categorisations of value dimensions that again arise from the data. First, dimensions are categorised according to their type of perception as *restorative*,

actualising or hedonic, in reflection of the nature of the outcome of customer experience from which the perception arises. Second, the value dimensions are further differentiated by their mode of perception: *individual, reflected or shared*. Both shared and reflected value perception requires the engagement of the consumer with third parties. However, while reflected dimensions are subsequently perceived by individuals, shared dimensions are recognised by multiple consumers as a result of their engagement. A comparison of the empirically derived multi-dimensional model with the leading pre-existing typologies (Holbrook, 1999; Sheth, 1991) highlights the greater comprehensiveness of insight presented by the former. While the pre-existing typologies implicitly incorporate restorative, actualising and hedonic dimensions, greater granularity within each category is presented by the model developed within this study. Furthermore, the pre-existing typologies focus predominantly on individually perceived dimensions; in contrast limited reference is made to reflected perception while shared perception is omitted. In addition, the multi-dimensional model of customer value developed within this investigation offers insights of greater validity than those presented by pre-existing typologies, due to its empirical derivation and sound conceptual underpinning. In addition to the multi-dimensional model of customer value, phase 1 also gave rise to a series of value-generating interactions, observed to be both holistic and discrete, with the latter arising in direct and indirect form.

The nature of customer value at the overall, second-order level of perception was indicated as a result of phase 2. The findings of the quantitative investigation highlighted a subset of six dimensions as having a predictive relationship with overall value perceptions. Within this six are dimensions of a restorative, actualising and hedonic nature, reflecting elements of complexity and diversity of overall value perceptions. Of this six, however, five were individually perceived and one was perceived in a reflected manner. The shared dimensions identified in phase 1 were therefore not found to influence overall perceptions of value independently of other dimensions. Possible reasons for this, and for the exclusion of other value dimensions from overall perceptions, are discussed.

A series of robust, parsimonious three and four-item value dimension scales was produced in phase 2, enabling the measurement of the extent of value perceived by STV consumers, at the first-order dimension level. A customer value index comprising twenty items was subsequently developed, with suitable explanatory power and discriminant and nomological validity. A comparison of these measures with previously derived tools highlights the superiority of the former, due the sound underlying conceptualisation and robust methodology employed in their derivation.

1.6 Summary of Contributions

Contributions to theory and to practice arise from this investigation. A series of methodological contributions are also derived.

1.6.1 Contributions to Theory

The revised conceptualisation developed within this investigation presents a specific contribution to knowledge of the value concept in the form of a conceptually superior platform for customer value research endeavours. The revised conceptual model presents a foundation for high quality research within multiple contexts, ultimately required to address the current lack of knowledge regarding the nature of value and means of its measurement.

The multi-dimensional model of value derived from phase 1 offers novel insights into the nature of customer value at the first-order level; while some of the value dimensions themselves may prove to be context specific, the types and modes of perceptions form a *customer value framework*, logically applicable in multiple consumption contexts. Due to the sound conceptual underpinning and rigorous empirical derivation of the model, the resulting framework offers greater validity of insight than arises from pre-existing typologies. Furthermore, while the pre-existing typologies present detailed descriptions of value in the form of specific dimensions, the framework derived here depicts the *scope* of value perception

without specifying the exact nature of the dimensions perceived. Thus, while pre-existing typologies are subject to criticism for their unduly generic and potentially unrepresentative nature, the framework arising from this investigation does not preclude context-driven complexity or idiosyncrasy.

A contribution to value theory also arises from the resulting insight regarding the nature of customer value at the more abstract overall level of perception. As only a subset of value dimensions were found to contribute to overall perceptions of value, this provides empirical confirmation of the need to consider value perceptions at both the first and second-order level, if the nature of the concept is to be truly identified.

The qualitative research findings also highlight, via the identification of a series of value-generating interactions, that value arises from customer experience, rather than from the recognition of pre-designed benefits embedded within customer propositions. A contribution to knowledge of customer value thus arises in the form of empirical evidence of the relationship between customer value and customer experience. A specific contribution is consequently made to the service-dominant logic dialogue, through evidence of the core principle that value emerges during a customer's interaction with a firm or its offering via a continuous process of co-creation (Vargo and Lusch, 2004). Furthermore, the output of this investigation evidences this particular conceptual characteristic without introducing new terminology to the value domain. That is, a partial empirical underpinning of the theoretical service-dominant logic is delivered without introducing any unnecessary conceptual extension.

The observation of value-generating interactions also results in a contribution to knowledge of customer experience. The findings highlight that value-generating interactions arise in holistic, discrete-direct and discrete-indirect forms, from which it can be inferred that elements of the customer experience are beyond the control of the firm. This research therefore provides empirically derived support for the emerging view of customer experience as a customer-centric phenomenon.

The development of measures of value dimensions and overall perceptions of value contributes to the body of works discussing scale and index development respectively. The development and testing of robust value measurement tools provides empirical examples to supplement the bodies of literature describing the development of scales and indices to measure consumer behaviour-related phenomena. Specifically, the development of an index within this study contributes to the growing body of literature describing the development of formative measures and the associated use of the PLS-SEM technique.

The value dimension scales and customer value index also represent novel contributions to the value domain as rigorously derived tools enabling the measurement of customer value in multi-dimensional form, as a second-order construct comprising first-order dimensions of value, rather than of quality as incorporated within previous measures of this nature (e.g. Ruiz et al., 2008).

1.6.2 Contributions to Practice

Contributions to practice within the STV industry arise as the development of the multi-dimensional model of customer value and tools with which to measure customer perceptions offers a solution to the immediate need for robust customer value insight. The development of meaningful and realistic value-related objectives is thus enabled, and the monitoring of progress towards their achievement is facilitated. Moreover, the relationship between customer perceived value and key relationship outcomes (e.g. customer advocacy) can be examined.

Due to the similarities in customer experiences and propositions, these contributions extend to the mobile interactive entertainment industry, with only minor adaptation of the dimensions and tools required to achieve the same output. The contributions to practice beyond these industries are methodological, arising in the form of a tested process by which value insights can be derived.

1.6.3 Methodological Contributions

Methodological contributions arise in the form of a series of recommendations for future customer value investigations. First, while the customer value framework indicates the scope of value perception, an empirical investigation within the context of interest is necessary due to the context specific nature of value identified within this investigation, contrary to much previous scholarly practice. Second, the focus on customer experience as the source of value is required to ensure comprehensiveness of insight, as highlighted by the observed diversity of interaction. Third, due to the diverse nature of value-generating interactions, a pre-interview exercise, such as the completion of real-time experience tracker, ensures the capture of interactions that might otherwise be omitted from the findings due to the limitations of participant memory. Fourth, to accurately measure customer value requires the development of dimension scales and an overall value index, which in turn necessitates a two-stage quantitative research design to ensure accurate measurement at both first-order and second-order levels of perception.

1.7 Dissemination of Research

1.7.1 Peer-Reviewed Conference Papers

The following peer-reviewed conference papers have been submitted and accepted to UK and international conferences, as contributions to full conference proceedings (rather than doctoral colloquia):

1. Bruce, H.L., Wilson, H. & Macdonald E. (2013), "You Know You're Working Class When Your TV is Bigger than Your Bookcase: Enduring Household Identity Conflict", **Academy of Marketing Science Conference**, Monterey, USA.
2. Bruce, H.L., Wilson, H. & Macdonald E. (2013), "Enhancing Customer Perceived Value Measurement: A Multidimensional Index for TV Consumption", **Academy of Marketing Science Conference**, Monterey, USA.

3. Bruce, H.L. & Macdonald E. (2013), "Interconnected Identities: Enduring Identity Conflict in the Household", **European Marketing Academy Conference**, Istanbul.
4. Bruce, H.L., Wilson, H. & Macdonald E. (2013), "Enhancing Customer Perceived Value Measurement: A Multidimensional Index for TV Consumption", **European Marketing Academy Conference**, Istanbul.
5. Bruce, H.L., Wilson, H. & Macdonald E. (2013), "You Know You're Working Class When Your TV is Bigger than Your Bookcase: Enduring Household Identity Conflict", **American Marketing Association Summer Educators Conference**, Boston, USA.
6. Bruce, H.L., Wilson, H. & Macdonald E. (2013), "Enhancing Customer Perceived Value Measurement: A Multidimensional Index for TV Consumption", **American Marketing Association Summer Educators Conference**, Boston, USA.
7. Bruce, H.L., Wilson, H. & Macdonald E. (2012), "Built on Sand: Strengthening the Foundations of Customer Value Research", **Consumer Culture Theory Conference**, Oxford, UK.
8. Bruce, H.L., Wilson, H. & Macdonald, E. (2012), "Investigating Customer Value as it Arises from Customer Experience", **Academy of Marketing Conference**, Southampton, UK.

Papers 2 and 7 are presented in Appendix G.

1.7.2 Academic Journal Articles in Development

The following journal articles are currently in development:

1. Bruce, H.L., Wilson, H. & Macdonald, E., "Customer Value: De-cluttering the Concept and Strengthening Research Foundations". In preparation (in full draft) for submission to the Journal of the Academy of Marketing Science (Cranfield 4-star; Association of Business Schools 4-star)

2. Bruce, H.L., Wilson, H. & Macdonald, E., “Enduring Household Identity Conflict”. In preparation (in full draft) for submission to the Journal of Marketing (Cranfield 4-star; Association of Business Schools 4-Star)
3. Bruce, H.L., Wilson, H. & Macdonald, E., “Enhancing Customer Perceived Value Measurement”. In preparation for submission to the Journal of the Academy of Marketing Science (Cranfield 4-star; Association of Business Schools 4-Star)

1.8 Thesis Structure

The rest of thesis is structured as follow:

Chapter 2 presents the literature domains informing this investigation: the customer value literature, the customer experience literature and the experiential customer value literature.

Chapters 3 to 5 provide a detailed review of these domains, highlighting the core themes within the relevant dialogue and their respective contributions to knowledge of customer value, its nature, mode of perception and means of measurement. Areas of ambiguity or limited, flawed insight are identified.

In Chapter 6 a summary of the conclusions from the literature review is presented and implications for research are derived.

Chapter 7 describes the conceptual framework, highlighting the key characteristics that result in its rigour and superiority versus existing value conceptualisations.

The research questions addressed within this study are introduced in Chapter 8 and discussed in relation to the conceptual framework detailed in Chapter 7, highlighting the precise areas within the framework to be investigated.

The methodology employed within this study is described in Chapter 9. The context of investigation is discussed at greater length and a detailed account of the research design is presented. Specifically, sample details, data collection

techniques and the processes of data analysis and interpretation are discussed in depth.

The study findings and an initial discussion are presented in Chapter 10. The dimensions within the model derived from phase 1 are discussed in detail, with evidence for their interpretation provided in the form of verbatim quotes from interviewees and evidence of the existence of similar phenomena, drawn from a diversity of domains. Initial contributions to knowledge within the customer value and other domains are highlighted. The dimension scales and customer value index resulting from phase 2 of this investigation are then presented, with support for their assumed reliability and validity. Again, an initial discussion of resulting contributions to knowledge is provided.

The general discussion in Chapter 11 considers the findings in relation to the research questions. A series of summary findings are synthesised that represent responses to the research questions. These are subsequently discussed and the incremental knowledge arising from their identification is highlighted. In addition, six propositions are derived from the research findings that relate to the nature and measurement of value in alternative contexts.

Chapter 12 presents a conclusion to this document. The theoretical, practitioner and methodological contributions arising from this investigation are presented. Limitations are discussed and a series of future research directions is proposed.

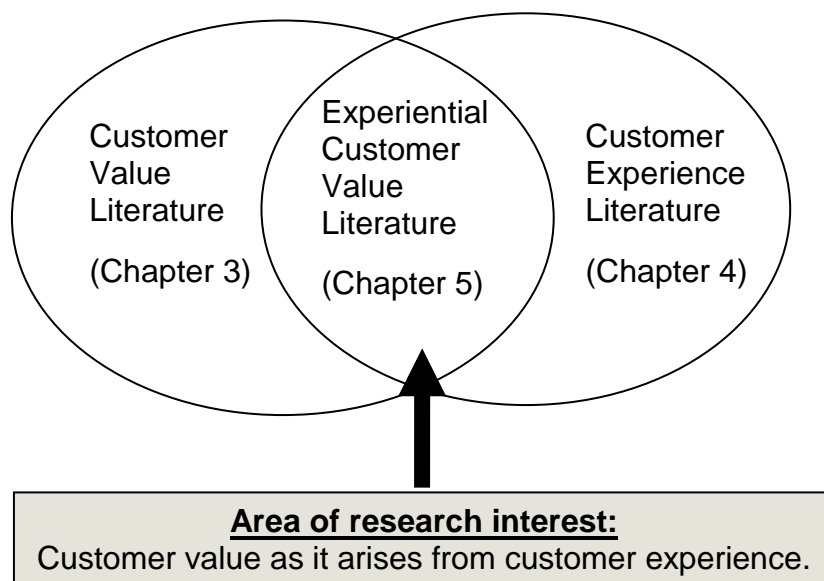
2 Literature Domains

Three distinct literature domains inform the area of research:

- The *customer value* literature, describing the theoretical background to the customer value concept and detailing previous empirical studies, which sought to define and explore the nature of perceived value, and to measure it.
- The *customer experience* domain, providing a theoretical background to the customer experience concept and describing empirical studies with a focus on customer experience.
- The *experiential customer value* literature, which discusses customer value as arising from customer experience.

The following diagram (Figure 2, below) illustrates the relationship between these three domains and highlights the area of research interest in relation to this body of literature. Figure 2 also indicates the chapter of this thesis in which each domain is described in further detail.

Figure 2: Key Literature Domains



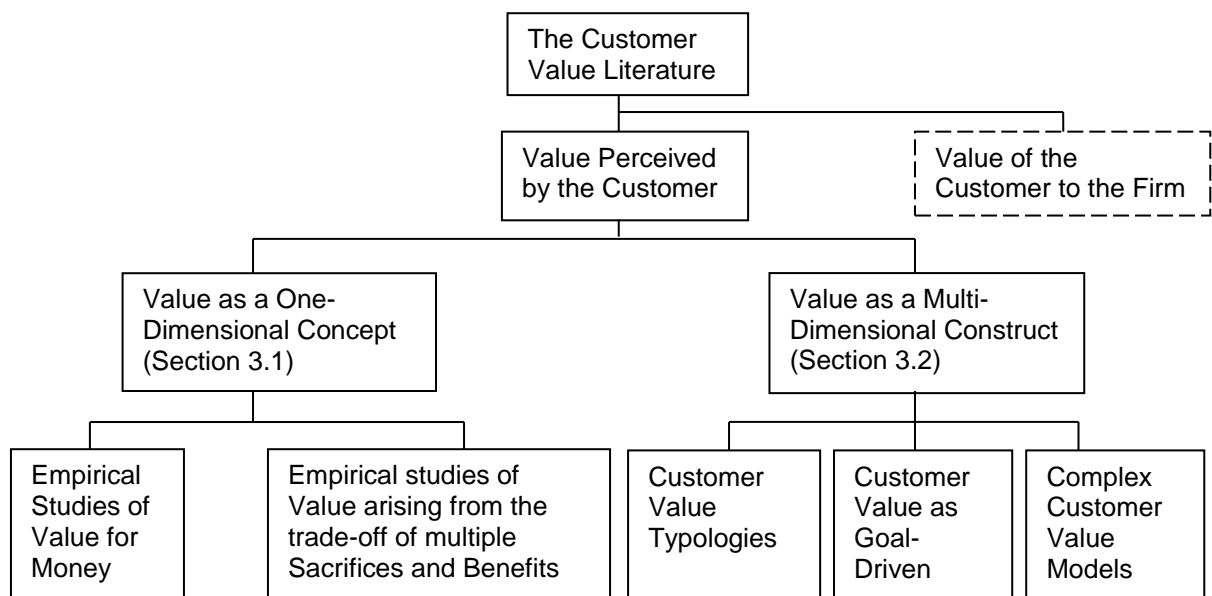
3 Customer Value Literature

The customer value domain presents a vast body of literature, encompassing many diverse disciplines and fields of study such as psychology, economics, management and marketing (Payne and Holt, 2001). The literature can be categorised into two core themes. The first adopts an organisational perspective of customer value (Graf and Maas, 2008) as the “monetary worth of individual customers to an organisation” (Woodruff, 1997, p. 140). Also referred to as *customer lifetime value* (Graf and Maas, 2008) and *customer equity* (Blattberg and Deighton, 1996), this perspective describes the customer value derived by the firm from the customer (Woodall, 2003). In contrast, the second theme adopts a customer perspective and focuses on the value perceived by customers as arising from the consumption of goods and services (Woodall, 2003; Graf and Maas, 2008). It is this customer-oriented perspective upon which this study is based and the literature adopting an organisational perspective of customer value is subject to no further discussion within this document. All further references to customer value therefore reflect the property perceived by the customer. In addition, due to the business-to-customer focus of the study, where the term ‘customer’ is used it refers to the end ‘consumer’, rather than a corporate entity or commercial buyer. The decision to use the term ‘customer’ in place of ‘consumer’ reflects the dominance of the terms ‘customer value’ and ‘customer experience’ within the literature and the desire to maintain consistency with existing works, debates and leading authors in these fields.

Within the literature the term customer value is in reality an “umbrella term” (Woodall, 2003, p. 1), which captures a variety of conceptualisations and definitions of value with a common theme: that the notion of value refers to that which is perceived, derived or experienced by a customer (Woodall, 2003). A review of the relevant literature highlights the complexity of this domain. Two distinct approaches to the conceptualisation of perceived customer value are identified: value as a one-dimensional concept and as a multi-dimensional construct (Sanchez-Fernandez and Iniesta-Bonillo, 2007). Within these, multiple

definitions exist and varying approaches to empirical investigation have been proposed. Figure 3 (below) illustrates the structure and complexity of the customer value literature.

Figure 3: The Structure of the Customer Value Literature Domain



Sections 3.1 and 3.2 provide a detailed description of the two distinct conceptualisations of customer value, their inherent definitions and approaches to empirical investigation

3.1 Customer Value as a One-Dimensional Concept

This perspective of customer value conceptualises it as consisting of a single dimension: the outcome of a cognitive process in which the customer ‘trades off’ the benefits and sacrifices associated with a particular consumption event to arrive at an overall ‘net’ perception of value. The definition of value as the ratio of perceived benefits to perceived sacrifices was formulated by Monroe (1979), who described sacrifices as all the costs incurred by a customer (e.g. purchase, delivery and installation) and benefits as the attributes and associated quality

that would be received as a consequence of purchase (Ravald and Grönroos, 1996). Monroe's (1979) definition of value is rooted in economic (Ravald and Grönroos, 1996) and pricing theories (Sanchez-Fernandez and Iniesta-Bonillo, 2007) and effectively represents the specific concept of *value for money* (Sanchez-Fernandez and Iniesta-Bonillo, 2007)

A broader definition was developed by Zeithaml (1988) from the findings of an empirical investigation of FMCG consumption and describes value as follows:

"Perceived value is the customer's overall assessment of the utility of a product based on what is received and what is given" (Zeithaml, 1988, p. 14)

Zeithaml's (1988) empirical findings and subsequent discussion and description of value expands the understanding provided by Monroe (1979) in a number of ways (Ravald and Grönroos, 1996) and makes several key contributions to knowledge of customer value. First, customer value is described as personal and idiosyncratic, varying between people and between contexts (Zeithaml, 1988). Second, the notion of sacrifices is extended to include non-monetary considerations, such as time and inconvenience. Benefits are also expanded to include emotional rewards, such as gratitude and appreciation from family members, in addition to purely functional benefits. Third, Zeithaml's (1988) empirical findings highlighted the abstract nature of customer value (Ravald and Grönroos, 1996), as it was found to arise from the initial appreciation of intrinsic and extrinsic product features, which gave rise to the more abstract notion of quality, which in turn forms part of the benefits element of the subsequent cognitive trade-off (Zeithaml, 1988).

The one-dimensional school of thought adopts this conceptualisation but primarily focuses on the *net output* of this trade-off in a one-dimensional, valenced construct of value-for-money or, when a more sophisticated view of sacrifices is adopted, simply value. The strength of this one-dimensional definition of customer value lies in its simplicity and subsequent ease of operationalisation in an empirical setting, as it can be measured through a single item or a small multi-item reflective scale. The definition of value as a

trade-off of utilitarian benefits and sacrifices has underpinned a substantial body of investigations (Sanchez-Fernandez and Iniesta-Bonillo, 2007), typically involving the development of tailored and context specific self-report scales for customer value measurement. As Figure 3 illustrates, these studies range in complexity in respect of the variety of benefits and sacrifices considered within an investigation. The more simplistic studies investigate value for money as it arises from the trade-off of monetary sacrifices against perceived product quality (e.g. Dodds et al., 1991; Teas and Agarwal, 2007) and benefits (e.g. Tokman et al., 2007). More complex are studies which examine the trade-off of multiple monetary and non-monetary sacrifices against perceptions of quality and other benefits (e.g. Bolton and Drew, 1991; Sweeney et al., 1999; Brodie et al., 2009; Andrews et al., 2010), where the benefits of interest are extended beyond the purely functional to incorporate the emotional and hedonic rewards which may arise from an offerings superior utility (e.g. Babin et al., 1994).

Despite the predominance of studies adopting this perspective (Sanchez-Fernandez and Iniesta-Bonillo, 2007), challenges have arisen to the validity of the assumed trade-off mechanism by which overall perceptions of value are created. Ravald and Grönroos (1996), for example, argue that contrary to the one-dimensional conceptualisation, high sacrifice and low benefit scenarios (such as an expensive yet temporary car repair) may result in high levels of perceived value (for instance, if the customer is subsequently able to complete an important journey). Furthermore, Kim and Labroo (2011) show empirically that overall value perceived may actually increase in circumstances where customers perceive increasing levels of sacrifice and unchanged benefits.

Further criticism of the one-dimensional perspective arises from its inherent failure to identify the nature and breadth of the benefits and sacrifices underlying an overall perception of value (Sanchez-Fernandez and Iniesta-Bonillo, 2007). Scales derived from this conceptualisation and applied to value investigation thus represent “summary measures” (Sweeney et al., 1996, p. 109) and result in insight that is narrow in its interpretation (Mathwick et al.,

2001). Despite its simplicity and ease of operationalisation in studies focussing on the valence of value, or the extent or direction of changes in value perceived, the one-dimensional perspective therefore offers limited actionable insight of questionable validity.

3.2 Customer Value as a Multi-Dimensional Construct

As described in Section 3.1, the one-dimensional consideration of customer value provides a simple conceptualisation, based on the outcome of a cognitive and rational evaluation of consumption-related benefits and sacrifices. In contrast, the definition of customer value as multi-dimensional presents a more complex scenario in which overall value perceptions consist of numerous distinct and diverse customer value dimensions (Sanchez-Fernandez and Iniesta-Bonillo, 2007). The multi-dimensional perspective thus offers more comprehensive and granular insight into the underlying factors contributing to perceptions of value, overcoming this particular weakness within the one-dimensional conceptualisation. As Figure 3 illustrates, within the literature describing value in multi-dimensional terms there are three schools of thought regarding the nature of customer value: that which defines value as a pre-defined typology of dimensions; an alternative view of value as goal-driven; and a third body of literature which focuses on the development of complex conceptual models of customer value. The following discussion describes each of these in turn.

3.2.1 Customer Value Typologies

This perspective of customer value describes it as consisting of many pre-defined dimensions, which may be present to varying degrees in a given consumption situation and which together constitute an overall perception of customer value (Sanchez-Fernandez and Iniesta-Bonillo, 2007). Sheth et al. (1991), Lemmink et al. (1998) and Holbrook (1999) propose the typologies of customer value illustrated in Table 1 (overleaf).

Table 1: Customer Value Typologies

Author	Sheth et al. (1991)	Lemmink et al. (1998)	Holbrook (1999)
Value dimensions included in typology	Functional Value Social Value Emotional Value Epistemic Value Conditional Value	Practical Value Emotional Value Logic Value	Efficiency Excellence Status Esteem Fun Aesthetics Ethics Spirituality

As Table 1 illustrates, these typologies share some common dimensions. For example, Sheth et al.'s (1991) 'functional value', Lemmink et al.'s (1998) 'practical value' and Holbrook's (1999) 'efficiency' and 'excellence' categories are all utilitarian in nature. As Table 1 also illustrates, however, differences exist within the typologies in respect of the customer value dimensions they incorporate, with certain categories being unique to specific authors. For example, Sheth et al. (1991) include epistemic value, which they define as arising from novelty, curiosity and knowledge. Lemmink et al. (1998) incorporate logic value and Holbrook (1999) describes ethics and spirituality as contributing to the overall perception of value. A lack of consensus therefore exists within this body of literature regarding the constituent dimensions of customer value, contributing to the ambiguity surrounding the customer value concept.

The typologies in Table 1 also differ in respect of their depth of analysis, with Holbrook (1999) providing the greatest level of detail regarding the derivation of the forms of value within his typology. Specifically, Holbrook (1999) provides a detailed description of the three continua upon which his typology of value is based. These are: extrinsic vs. intrinsic, where extrinsic value arises when an object supports the achievement of a desired goal and intrinsic value when an object is valued as a means in itself; self-oriented vs. other-oriented, where self-oriented value arises when an aspect of consumption is enjoyed for the value it

generates for the consumer and other-oriented when something is valued for the sake of others or the reaction it generates from them; and active vs. reactive, where active value entails the customer doing something to the object and reactive value from the distanced appreciation of an object. On the basis of these three dimensions, Holbrook's typology of value is illustrated in Table 2 (below).

Table 2: Holbrook's Typology of Value (1999)

		Extrinsic	Intrinsic
Self-Oriented	Active	Efficiency (Input/output), Convenience	Play (Fun)
		Excellence (Quality)	Aesthetics (Beauty)
Other-Oriented	Reactive	Status (Success, Impression Management)	Ethics (Virtue, Justice, Morality)
		Esteem (Reputation, Materialism, Possessions)	Spirituality (Faith, Ecstasy, Sacredness, Magic)

Holbrook's typology of value has been described as "the most comprehensive approach to the value construct because it captures more potential sources of value than do other conceptualisations" (Sanchez-Fernandez et al., 2009, p. 97). However, despite its incorporation of a broad range of value dimensions and its detailed, structured formulation, it lacks any empirical derivation. Rather, Holbrook's (1999) typology, like Lemmink's (1998), is derived solely from the *theory of value* or *axiology*. Sheth et al. (1991) describe the synthesis of their typology from an extensive review of literature, implying a similar lack of empirical derivation. Similarly, while Sheth et al. (1991) claim that their framework of customer value "has been operationalized and tested in more than 200 consumer choice situations" (Sheth et al., 1999, p. 163), they fail to provide any detailed evidence of this, or any retrospective empirical underpinning of the assumptions within their typology.

Conceptual limitations also arise within these models. Customer value is highly context specific (Vargo and Lusch, 2008; Yang, 2002), a feature not captured

by these generic representations of value in multi-dimensional form (Sanchez-Fernandez and Iniesta-Bonillo, 2007). The application of these generic models to research in multiple contexts therefore has the potential to result in the omission of contributing value dimensions or an undue emphasis on dimensions of relative insignificance, despite Sheth et al.'s (1991) claims that their model is applicable to "a full range of product types (consumer nondurables, consumer durables, industrial goods and services)" (Sheth et al., 1991, p. 159). In addition, these theoretical typologies also focus predominantly on customer benefits with a comparatively limited consideration of perceived sacrifices (Sanchez-Fernandez and Iniesta-Bonillo, 2007), thus providing only a partial picture of the factors underlying overall value perceptions. Furthermore, the typologies in Table 1 exclude any detailed consideration of the manner in which their respective dimensions combine to form overall value perceptions. As Lin et al. (2005) note: "researchers should not confound perceived value per se with the give and get components of which it is comprised" (Lin et al., 2005, p. 322). The application of the extant typologies in Table 1 to empirical investigations of value would, therefore, support the development of insights pertaining to each dimension, rather than to overall value perceptions. That is, the existing value typologies fail to conceptualise value at an appropriate level of abstraction (Lin et al., 2005, Ruiz et al., 2008). Hence, a synthesis is needed of the multi-dimensional and one-dimensional approaches to value.

Conceptual confusion also exists within multi-dimensional typologies between perceptions of value and of quality. Shown empirically to be a precursor to value perception (Hansen et al., 2013; Zeithaml, 1988), quality is described as a feature of a product or service, resulting from its characteristics and the extent to which they present excellence or superiority (Macdonald et al., 2011; Holbrook and Corfman, 1985, Zeithaml, 1988). It thus differs conceptually from customer value, which is perceived in more abstract terms by the consumer as a personal benefit, rather than a judgement of product attributes (Zeithaml, 1988). As Table 2 highlights, Holbrook (1991) makes specific reference to quality as a value dimension, raising questions as to the conceptual accuracy of this typology and the validity of findings arising from its empirical application.

Furthermore, Sheth et al. (1999) describe *functional value* as arising from “an alternative’s capacity for functional, utilitarian or physical performance” (Sheth et al., 1991, p. 160), a definition that captures the quality precursor to perceptions of value, rather than the value dimension itself.

Despite their inherent conceptual flaws, empirical work has sought to apply the typologies presented by Sheth et al. (1991) and Holbrook (1999), with six of the ten most-cited multi-dimensional studies (including these studies themselves) adopting one of these models as a conceptual foundation (Holbrook, 1999; Mathwick et al., 2001; Sanchez-Fernandez et al., 2009; Sheth et al., 1991; Sweeney and Soutar, 2001; Turel et al., 2007; analysis by Wilson et al., 2012). However, the poor conceptualisation inherent within the typologies renders any findings potentially insufficiently inclusive. Furthermore, the lack of any empirical backing for the underlying typologies threatens the validity of these investigations and any conclusions subsequently drawn. Attempts at empirical verification via the development of a retrospective underpinning are typically superficial, as they draw on limited data arising, for example, from a small number of focus groups (Sweeney and Soutar, 2001) and seek to confirm the relevance of the pre-defined dimensions, rather than adopting a grounded approach to value exploration. Of the remaining four of the ten most cited multi-dimensional studies (Sheth and Talarzyk, 1972; Sinha and DeSarbo, 1998; Ruiz et al., 2008; Westbrook and Reilly, 1983), only two have any qualitative grounding at all (Sheth and Talarzyk, 1972; Westbrook and Reilly, 1983).

Further limitations arise in respect of the multi-dimensional typologies as their complexity renders them difficult to apply to empirical investigation (Sanchez-Fernandez and Iniesta-Bonillo, 2007). For example, Sweeney and Soutar’s (2001) application of Sheth et al.’s (1991) typology to a study of customer choice within the consumer durables market necessitated some initial adaptation and refinement of the value categories. Sanchez-Fernandez et al. (2009) employed a subset of six of Holbrook’s (1999) value types in a study of customer value in a service setting, having combined status with esteem and ethics with spirituality, as the individual dimensions were deemed to be too

similar to study separately. Similarly, for reasons of parsimony Mathwick et al. (2001) designed a scale using only the self-oriented categories of value from Holbrook's (1999) typology. The findings of these studies must therefore be questioned as to their comprehensiveness. While parsimony may be necessary and desirable in many academic and practitioner contexts, the basis for selecting the most important value categories should surely have some empirical justification.

Of the ten most-cited multi-dimensional studies (Wilson et al., 2012), that of Ruiz et al. (2008) warrants further discussion due to their inherent recognition of the need to conceptualise and to measure customer value at an appropriate level of abstraction. Ruiz et al. (2008) modelled customer value as a second-order construct and sought to develop a means of measuring value perceptions formatively, as comprising numerous first-order dimensions. Conceptual limitations arise, however, due to their adoption of service quality as a value dimension at the first order level. Customer value is thus conceptualised within this work in multi-dimensional terms, as comprising numerous perceptions of quality, rather than value. That is, while value is duly viewed as a complex, abstract construct, conceptualisation at the lower level of abstraction appears to be flawed. Furthermore, methodological limitations arise; Ruiz et al.'s (2008) index comprises measurement items derived from existing measures, rather than from an empirical investigation of customer perceived value. Specifically, Ruiz et al. (2008) incorporate measures adapted from Sweeney and Soutar's (2001) PERVAL scale. As described above, Sweeney and Soutar (2001) derived this scale from Sheth et al.'s (1999) value typology and the measure therefore lacks validity due to its poor conceptual underpinning. In addition, Ruiz et al. (2008) employ covariance-based structural equation modelling techniques in deriving their index. As Section 9.5.2.4 describes, the use of covariance-based SEM is inappropriate in scenarios involving formative measurement.

Overall, it can be concluded from a review of this body of literature that despite offering a more granular conceptualisation of value than the one-dimensional

alternative, multi-dimensional value typologies present inconsistent, ungrounded and conceptually flawed conceptualisations of customer value. They consequently present a poor foundation for empirical investigations of value, giving rise to a poverty of robust and credible insight regarding the nature of value and means of its measurement.

3.2.2 Customer Value as Goal-Driven

Defined as either desired pleasurable consequences or unpleasant consequences to be avoided, customer goals motivate and direct customer actions and behaviours (Gutman, 1997; Yang et al, 2002), including those related to product purchase and consumption. Consequently, by acquiring and using products or services, customers are effectively striving to achieve a specific goal (Puccinelli et al., 2009). Woodruff (1997) incorporates these insights within the following definition:

“Customer value is a customer’s perceived preference for and evaluation of the product attributes, attribute performance and consequences arising from use that facilitate (or block) achieving the customer’s goals”
(Woodruff, 1997, p. 142).

In essence, customers perceive value as arising from the consumption of products and/or services if it is felt that the consumption has supported the achievement of a specific goal.

Woodruff’s (1997) description of customer value overcomes some of the limitations associated with typologies described in Section 3.2.1. While inherently multi-dimensional due to the multiple, diverse goals pursued by consumers, this conceptualisation allows for greater comprehensiveness and is free of any generic preconceived categorisation of value. Goals vary considerably in their nature (Gutman, 1997), implying that the value perceived by customers is similarly diverse. A goal could be physiological for example, such as the quenching of thirst (Yang et al., 2002). Alternatively, it could be one of individual thrill seeking or adventure (Celsi et al., 1993). Goals may also be

of a social nature, reflecting a desire to achieve status and recognition within a specific community (Schau et al., 2009) or sub-culture (Schouten and McAlexander, 1995). Chitturi et al. (2008) identified two distinct types of goals: prevention and promotion. Prevention goals reflect a wish to avoid risk and discomfort whereas promotion goals correspond to a person's desire for excitement and pleasure. The consumption of a specific product may fulfil numerous goals simultaneously, resulting in an overall perception of customer value consisting of different co-existing dimensions. For example, driving a sports car could effectively transport a person from one place to another, resulting in the perception of functional types of value. In addition, the driver may perceive an element of status or self-esteem from owning a prestige car and the thrill of driving it may generate additional, hedonic perceptions of value.

This definition of customer value as goal-driven provides a number of contributions to the overall understanding of the customer value concept. First, in contrast with the one-dimensional perspective and value typologies, customer value is implicitly described in dynamic terms, as goals by their very nature are continually evolving (Yang et al., 2002). Furthermore, Woodruff's (1997) definition incorporates both the 'perceived preference for' and 'evaluation of' a product, which reflects the desired and subsequent evaluation of perceived value respectively. This embedding of multiple contexts (pre- and post-purchase) (Parasuraman, 1997) within the definition results in a dynamic conceptualisation of customer value, which captures its potentially variable nature over time. Second, customer goals are highly personal and two individuals may seek out a specific product or service for completely different reasons (Puccinelli et al., 2009), thereby perceiving notably different forms of value. As such, Woodruff's (1997) definition supports the idiosyncratic and personal nature of customer value, proposed by Zeithaml (1988).

Third, further variety and conceptual richness within Woodruff's (1997) definition arises from the hierarchical nature of customer goals (Gutman, 1997), with the achievement of lower level 'sub-goals' facilitating the achievement of higher level goals. Goals at the highest level may reflect the deeply held personal

values of the individual, which are their beliefs in respect of preferred modes of conduct and states of existence (Rokeach, 1973). Goals of this nature may reflect the desire to reflect an individual's self-concept (Gutman, 1997) or achieve a "transformation of self" (Schouten and McAlexander, 1995, p. 55) for example through becoming a fully-fledged Harley-Davidson biker (Schouten and McAlexander, 1995) or a skydiver (Celsi et al., 1993). Accordingly Woodruff (1997) proposes that customer value is also of a hierarchical nature, capturing the potentially abstract nature of value perceptions, neglected by the value typologies.

As the above discussion highlights, Woodruff's (1997) conceptualisation and definition of customer value as goal-driven captures greater granularity of insight than the one-dimensional perspective or value typologies. There are however, some weaknesses associated with this conceptualisation. Specifically, like the leading value typologies it lacks any empirical derivation or support. In addition, some conceptual confusion remains within Woodruff's (1997) definition as, within the proposed hierarchy, perceptions at the lowest level are described as arising in recognition of desired product attributes and performance. Macdonald et al. (2011) argue that these evaluations result in perceptions of quality, rather than value.

Furthermore, challenges arise in applying this perspective to empirical investigations of customer value. Woodruff (1997) in fact suggests that the multiple contexts, tasks and criteria may necessitate the use of multiple research methods and tools, which implies that this conceptualisation of value may be difficult to operationalise (Parasuraman, 1997). Moreover, inherent within Woodruff's (1997) hierarchy is an implied necessity for customer goal identification as a precursor to value interpretation. Goals may be consciously, subconsciously or non-consciously pursued (Bagozzi and Dholokia, 1999; Baumgartner and Pieters, 2008) and will vary in the extent to which they are derived from stable, internally constructed goal schema or are emergent, arising from environmental factors (Bagozzi and Dholokia, 1999; Puccinelli, 2009). As such the identification of salient personal goals by both customers and

researchers is complex. Techniques such as laddering can facilitate the elicitation of a respondent's most abstract goals (Baker, 2002; Gutman, 1997). However, though these may represent the underlying, potentially tacit drivers of responses, goals lying lower in a customer's hierarchy may exert a stronger influence on actual responses and behaviours, giving rise to value perceptions with greater influence on overall perceived value (Gutman, 1997). Studies applying Woodruff's conceptualisation and employing a laddering approach to personal goal identification and perceived value interpretation (e.g. Mentzer et al., 1997; Overby et al., 2004) may therefore present flawed conclusions.

To summarise this sub-section, the goal-driven perspective of value proposed by Woodruff (1997) presents a more robust conceptualisation of value than the one-dimensional perspective or value typologies, due to its inherent comprehensiveness and dynamism, and avoidance of any preconceived dimensionality. However, limitations arise due to its lack of empirical derivation, conceptual confusion with perceptions of quality, and the complexity associated with its application to empirical value investigations.

3.2.3 Complex Models of Customer Value

As Figure 3 illustrates, the literature advocating a multi-dimensional perspective of customer value encompasses discussions of complex conceptual value models. These are developed from the key themes within the broader customer value domain and aim to present a more detailed and robust conceptualisation of customer value than alternative perspectives and definitions. Examples of such models are presented by Lai (1995) and Woodall (2003), both of whom combine themes from the perspectives of customer value as a one-dimensional concept, as a typology of multiple dimensions and as goal-driven. In formulating his model, Lai (1995) focuses on evaluations at the point of purchase and incorporates the process of product valuation, in which a

customer's cultural¹ and personal values² moderate their perceptions of the potential generic benefits embedded within a product in the form of attributes. The framework captures a range of generic benefit types, adapting Sheth et al.'s (1991) typology of values and depicting the value dimensions as benefits in recognition of the lack of consideration by Sheth et al. (1991) of associated sacrifices (as described in section 3.2.1). The result is a subjective and idiosyncratic perception of product benefits, which reflect the customer's own values. Lai (1995) then develops a comprehensive model of customer value in which these perceived product benefits are traded off against a series of perceived monetary and non-monetary costs.

Lai's (1995) model therefore combines the one-dimensional notion of customer value as a trade-off of costs and benefits with the multi-dimensional view of customer value. It also captures the dynamic element of the concept, as perceived benefits and sacrifices include those of potential relevance post-purchase, such as costs of maintenance. However, the model describes customer value perceptions solely at the point of purchase and is therefore limited to this specific decision making scenario. In addition this model is not empirically derived or tested and Lai (1995) does not discuss how it might be operationalised. Its application to empirical studies of customer value is likely to be complicated as it incorporates a number of concepts (e.g. personal values) that would require in-depth investigation and interpretation in order to determine their influence on customer value. Consequently it is not clear whether or how this model would support the empirical investigation of customer value.

In developing his conceptual model of customer value Woodall (2003) aimed to address the "continuing ambiguity" (Woodall, 2003, p. 1) associated with customer value and the lack of consensus regarding its nature and composition. He therefore sought to combine the extant assumptions and schools of thought in the development of a model that would provide a "theoretical anchor"

¹ Cultural values are beliefs regarding what is preferable, which are widely shared within a society (Lai, 1995)

² Personal values are an individual's beliefs regarding their preferred states of existence (Rokeach, 1973)

(Woodall, 2003, p. 1) for future studies of customer value. Five distinct forms of customer value were subsequently identified from the literature. These are described in Table 3, below.

Table 3: Forms of Customer Value (Woodall, 2003)

Value Type	Description
Marketing Value	The perceived attributes associated with a product or service.
Derived Value	The perceived outcomes from usage of a product or service.
Sale Value	The achievement of a low price or reduction in non-monetary sacrifices.
Rational Value	The achievement of an acceptable difference between a perceived objective price and actual price paid.
Net Value	The utilitarian balancing of benefits and sacrifices.

As Table 3 describes, the marketing and derived value forms are associated with the achievement of benefits whereas sale and rational value are concerned with the reduction of sacrifices. Consequently, these are conceptualised as subordinate to net value, which results from the trade-off by the customer of these complex and multi-dimensional forms of benefit and sacrifice. In developing this hierarchical framework of customer value types Woodall (2003) has effectively combined the one-dimensional and multi-dimensional perspectives of customer value.

Woodall (2003) theorises that each of the five value types can be present in prospect and in retrospect, and in addition to these distinct forms he identifies four temporal positions of customer value from the literature: Ex-ante (pre-purchase), transaction, ex-post (post-purchase) and disposition. Woodall (2003) therefore describes the dynamic nature of customer value and he notes that the presence of these temporal positions implies a succession of overall value determinations by the customer in which they are engaging in a 'netting-off' of the various benefits and sacrifices. Customer value perceptions are, in

essence, continually updated. Woodall (2003) postulates, however, that this process is unlikely to be completely and continually rational as previous perceptions of value are likely to influence future expectations and determinations. Consequently the notion of a rational net customer value (as defined in Table 3) does not accurately portray the customer value concept and Woodall (2003) defines an alternative *aggregated customer value* as:

“... any demand-side, personal perception of advantage arising out of a customer’s association with an organisation’s offering, and can occur as reduction in sacrifice; presence of benefit (perceived as either attributes or outcomes); the resultant of any weighed combination of sacrifice and benefit (determined and expressed either rationally or intuitively); or an aggregation, over time, of any or all of these.” (Woodall, 2003, p. 21).

In depicting this aggregated customer value concept Woodall (2003) adopts the metaphor of Rubik’s cube. Each colour represents a specific type of customer value and different positions on the cube indicate different time frames. The face in view at a given moment represents the most recent determination of customer value. It may consist of a single colour, indicating the dominance of a single form of value. A mix of colours would indicate a variety of influential and inter-related value forms. If the cube is held at an angle then other faces are observable, representing the influence of different temporal instances of customer value. In addition, faces of the cube that are hidden from view are more distant from customer consciousness, but may also influence customer value determinations. Woodall (2003) summarises this model as capturing the cross-sectional and longitudinal complexity that the customer value concept presents.

Woodall’s (2003) model captures a higher level of richness of customer perceived value and details the variables requiring consideration in future empirical studies more extensively than that of Lai (1995). However, the model is neither empirically derived nor tested and like Lai (1995), Woodall (2003) does not describe a means of applying his model to empirical studies of customer value. In summary therefore, while these complex models of

customer value provide a synthesis of extant knowledge, they do not provide an empirically grounded view of the concept or a means of applying their inherent insights to customer value research.

3.2.4 Conclusions from the Customer Value Literature

The review of the customer value literature described in Chapter 3 gives rise to four key conclusions of relevance to this research:

Conclusion 1: One-dimensional approaches to customer value conceptualisation provide a partial, potentially flawed description of the value concept. Applications of the one-dimensional perspective produce limited actionable insight of questionable validity.

Conclusion 2: The multi-dimensional conceptualisation of customer value offers a more comprehensive and granular perspective than the one-dimensional approach. However, the typologies most commonly applied in value investigations are inconsistent and lack evidence of any empirical derivation. Furthermore, they are conceptually flawed and complex to operationalise, leading to a poverty of robust insight and potentially flawed conclusions.

Conclusion 3: The definition of customer value as goal-driven presents a comprehensive, dynamic, idiosyncratic and uncategorised view of value, overcoming many of the limitations associated with the one-dimensional and typological approaches to value conceptualisation. However, the goal-driven perspective is limited by its lack of empirical derivation, conceptual confusion with quality and complex operationalisation.

Conclusion 4: Complex models of customer value have been produced reflecting the synthesis of key contributions from the one and multi-dimensional approaches to customer value conceptualisation. However, these models also lack any empirical derivation or recommendations for use in studies of customer value.

4 Customer Experience Literature

As Figure 2 illustrates, this investigation is informed by three domains of literature, defined within the current study as: customer value, customer experience and experiential customer value. The previous Chapter (Chapter 3) presented a detailed review of the literature pertaining to customer value and derived conclusions of relevance to this investigation. The purpose of the current section (Chapter 4) is to describe the customer experience literature in detail, and to identify the key themes within this domain. The term ‘experience’ can describe a multitude of concepts, such as a process, a skill, participation or an outcome (Tynan and McKechnie, 2009). Within this investigation however, *customer experience* refers to the interaction of a customer with a company or its offering and the subsequent response of the customer to this interaction. In contrast with the customer value literature the customer experience domain is relatively small, with a prevalence of *company-centric* discussions and a more limited number of articles adopting a *customer-centric* position. Sections 4.1 and 4.2 describe these two sub-domains in detail and highlight their key contributions to knowledge in respect of the customer experience concept.

4.1 Company-Centric Discussions of Customer Experience

The recognition by practitioners of the extensive commoditisation of products and services, and the resulting lack of scope for differentiation in these areas has led to a focus on the innovation, design and management of the customer experience as key to the creation of a competitive market advantage (Shaw, 2007; Prahalad and Ramaswamy, 2003; Pullman and Gross, 2004; Lemke et al, 2011). A *company-centric* view of customer experience results, underpinned by the fundamental assumption that an experience can be created for and delivered to the target customer by the firm, in order to successfully drive desired behaviours.

Companies subsequently design customer experiences in the form of memorable events, which they deliver through the contrived use of services as

a stage and products as props (Pine and Gilmore, 1998). The resulting experiences encourage the customer to immerse themselves in their interaction with a company (Gilmore and Pine, 2002), enabling firms to develop deeper connections with their customers than would arise from a more distant appreciation of offering features and benefits (Schmitt, 1999). An experience is comprised of an integrated set of 'clues' (Berry et al., 2002), where a clue is anything perceived or sensed by the customer during an interaction and interpreted to create meaning. Clues are emitted by both people and objects, can be functional and employ logical cognitive information processing mechanisms or of a sensory nature, giving rise to affective responses (Berry et al., 2002; Frow and Payne, 2007). This variety of clues reflects the overall aim of the firm to connect with customers on multiple levels: intuitive (Healy et al., 2007), rational, emotional, sensorial, physical, and spiritual (Schmitt, 1999), thereby creating a unique, compelling and memorable customer experience which subsequently drives increasing purchasing and loyalty (Shaw, 2002). The most successfully designed customer experiences are those that are so engaging for the customer that they result in the achievement a state of 'flow' (Novak et al., 2001; Pullman and Gross, 2004; Healy et al., 2007). That is, customers become totally involved and absorbed throughout the course of their interaction with the company that they achieve a 'spell-like' state (Csikszentmihalyi, 1974). The achievement of flow is both satisfying and exhilarating (Celsi et al., 1993) and results in a customer desire to repeat the experience (Csikszentmihalyi, 1988).

Customer experience management (Chakravorti et al., 2011) is, therefore, a complex endeavour. Accordingly, this sub-domain of literature includes guidelines and directions for companies that consider the means by which firms can manipulate factors within their control, such as the retail environment (Borghini et al., 2009; Grewal et al., 2009; Kozinets et al., 2002), the sales process (Arussy, 2011) and employee behaviours (Otnes et al., 2012; Price et al., 1995), thus ensuring that every interaction of a customer with the company is ultimately positive (Meyer and Schwager, 2007). Academic authors have developed complex, company-centric models of customer experience. For

example, Voss et al. (2008) focus on the ‘behind the scenes’ role of a firm’s operations management department in choreographing the overall experience. Voss et al. (2008) develop a model in which experience is constructed from ‘stageware’ (facilities and technology), ‘orgware’ (management structures and policies), ‘customerware’ (interactions between customers and the company) and ‘linkware’ (communication mechanisms) (Voss et al., 2008). Payne et al. (2008) describe customer experience as consisting of a series of encounters between a customer and a firm, which are categorised as communication, usage and service encounters. The overall experience is described as “interactive, longitudinal, individual and contextual” (Payne et al., 2008, p. 93) and a process of mapping encounters over time is proposed as a tool for facilitating customer experience management. Payne et al.’s (2008) framework therefore adds a longitudinal dimension to the company-centric view of customer experience.

Overall, the company-centric literature has dominated the commentary to date in respect of customer experience. However, a parallel argument exists within the customer experience literature domain; other authors contend that the customer experience cannot easily and entirely be controlled by a company. Rather, as Pullman and Gross (2004) observe, for example, a customer’s interpretation of and subsequent response to an interaction will be subject to influences such as cultural background, prior experience and mood. The resulting customer heterogeneity (Prahalad and Ramaswamy, 2003) and subjectivity of experience (Pine and Gilmore, 1998) renders the management of an individual experience by a firm impossible. This *customer-centric* view implies that, through excluding those elements of the customer experience that are beyond the control of the firm, the company-centric view provides a potentially over-simplistic view of the customer experience concept. The customer-centric approach to customer experience conceptualisation is discussed in further depth in Section 4.2.

4.2 Customer-Centric Discussions of Customer Experience

As described briefly in Section 4.1, the customer-centric customer experience literature extends the company-centric perspective, contends that customer experience cannot be designed, delivered and managed by the firm in its entirety, and thereby presents the customer experience concept in more holistic terms. This customer-centric subdomain of literature contains a notably smaller volume of studies, however, and a series of contrasting conceptualisations are observed within the core texts. The customer-centric perspective therefore represents an emergent and evolving domain, requiring further investigation.

For example, Meyer and Schwager (2007) note the potential for customer experience to arise from both direct and indirect interactions of a customer with a company, where the latter consists of unplanned interactions beyond the company's control. Examples of indirect interactions include conversations between customers, viewing an advertisement or reading a news report (Meyer and Schwager, 2007). This implies that the management of the customer experience may not be as simple or easy to achieve as the company-centric dialogue suggests. In contrast, Grewal et al. (2009) define the retail customer experience as "every point of contact at which the customer interacts with a business, product or service" (Grewal et al., 2009, p. 1). Grewal et al. (2009) draw on existing literature to derive a model of customer experience that incorporates the influence of factors within the control of the retailer (such as promotion, pricing and store location) and the moderating effect of 'macro factors' (e.g. political and economic influences) that the company cannot directly influence. Unlike Meyer and Schwager (2007), however, Grewal et al. (2009) do not incorporate indirect and non-company controlled customer-company interactions within their model. Furthermore, neither Meyer and Schwager (2007) nor Grewal et al. (2009) consider the potential for customer heterogeneity and subjectivity in response, as identified by Prahalad and Ramaswamy, (2003) and Pine and Gilmore (1998), and highlighted in the previous section. Consequently these models can also be viewed as providing an incomplete picture of customer experience.

Verhoef et al. (2009) develop a more holistic portrayal of customer experience than Meyer and Schager (2007) and Grewal et al. (2009). Their model incorporates key themes from the company-centric literature, such as the description of customer experience as arising from the reaction-provoking interactions of a customer with a product or company (Shaw and Ivens, 2005), being highly personal and involving the customer on rational, emotional, sensorial, physical and spiritual levels (Schmitt, 1999). Verhoef et al. (2009) synthesise these assumptions and proffer that customer experience is personal and complex, involving “a customer’s cognitive, affective, emotional, social and physical responses to the retailer” (Verhoef et al., 2009, p. 32). In addition, Verhoef et al. (2009) expand Meyer and Schwager’s (2007) assertion that customer experience incorporates both direct and indirect contacts with a company and note that the overall experience “is created not only by those elements which the retailer can control (e.g., service interface, retail atmosphere, assortment, price), but also by elements that are outside of the retailer’s control (e.g. influence of others, purpose of shopping)” (Verhoef et al., 2009, p. 32). Verhoef et al. (2009) ultimately describe customer experience as encompassing “the total experience, including the search, purchase, consumption, and after-sale phases of the experience” (Verhoef et al., 2009, p. 32), implying that customer experience is dynamic and longitudinal in nature. The model therefore presents a more holistic conceptualisation of customer experience than the models previously described.

Despite the holistic nature of Verhoef et al.’s (2009) conceptualisation, some limitations exist. For example, the retail context in which their resulting model is positioned results in a lack of generalisability to non-retail scenarios, and there is an emphasis on communication and service related encounters, while those related to usage are largely excluded. In addition, Verhoef et al.’s (2009) model is not empirically derived, and the authors note the requirement for systematic research in order to understand the full range of influencing factors and develop a richer conceptualisation of this phenomenon.

In their empirical investigation of customer experience quality, Lemke et al. (2011) refine the models presented by Payne et al. (2008) and Verhoef et al. (2009). Specifically, Lemke et al. (2011) combine Verhoef et al.'s (2009) description with Payne et al.'s (2008) categories of encounter, deriving their definition of customer experience as:

“The customer’s subjective response to the holistic direct and indirect encounter with the firm, including but not necessarily limited to the communication encounter, the service encounter and the consumption encounter” (Lemke et al, 2011, p. 848).

The findings of their study confirmed that customers construe their experience as holistic, consisting of multiple and varied encounters which span Payne et al.'s (2008) communication, service and usage categories. However, Lemke et al.'s (2011) findings indicated a broader range of encounters within these categories. For example, where Payne et al. (2008) described usage encounters as arising from customer practices associated with the use of products and supporting services, the evidence from Lemke et al.'s (2011) study expanded this to include social interactions and relationships with other customers. Consequently, Lemke et al.'s (2011) resulting model presents an expanded and empirically derived continuation of those developed in previous conceptual studies. In addition, by generalising beyond the retail context it overcomes a key limitation associated with Verhoef et al.'s (2009) model. However, Lemke et al.'s (2011) model differs from those of Voss et al. (2008), Payne et al. (2008), Grewal et al. (2009) and Verhoef et al. (2009) in its concentration on customer experience *quality*, which necessitated a focus on the perceived excellence of various elements of the customer experience. Consequently, it captures the customer's cognitive response to their interactions with a firm, neglecting the emotional, social and physical responses described by Verhoef et al. (2009) as forming key part of the total customer experience. As a result Lemke et al.'s (2011) conceptual model again provides only a partial picture of the customer experience concept.

It can be concluded from a review of the customer-centric customer experience literature that, while some initial conceptual development and research has taken place, the resulting customer-centric models of customer experience are limited. Further empirical work is therefore required in order to develop a richer conceptualisation, which captures the full complexity of the concept in terms of its constituents, influencing factors and outcomes.

4.3 Conclusions from the Customer Experience Literature

The review of the customer experience literature described in Chapter 4 gives rise to two key conclusions of relevance to this research:

Conclusion 5: The company-centric view of customer experience dominates the commentary to date in respect of customer experience, yet provides only a partial description of the customer experience concept.

Conclusion 6: A more limited volume of customer-centric studies has presented a more holistic view of customer experience. However, limitations exist in respect of models derived to date and further empirical research is therefore required to develop a comprehensive model of customer experience.

Having presented a detailed review of the customer value (Chapter 3) and customer experience literatures (Chapter 4) the question arises: what relationship exists between these domains that is of relevance to the present study of value? As Figure 2 shows, an area of overlap exists in the form of an experiential customer value domain of literature. This body of work represents the integration of themes within the customer value and customer experience domains and discusses customer value as arising from customer experience. In the following Chapter (Chapter 5) the experiential customer value literature is described and conclusions of relevance to this investigation are derived.

5 Experiential Customer Value Literature

As illustrated in Figure 2, the experiential customer value literature domain represents the overlap of the customer value and customer experience literatures. This body of literature discusses the relationship between the customer value and customer experience concepts, asserting that customer value arises from customer experience. This is in contrast with the more established assumption that customer value is pre-defined and embedded within the firm's offering in the form of attributes and associated benefits. The following discussion describes these two positions and draws conclusions of relevance to this study.

5.1 The Traditional View: Value as Embedded in Products and Services

This view reflects the concept of a firm's *market orientation*, which is described by Kohli and Jaworski (1990) as encompassing a focus on the consumer and their needs, with a view to developing offerings that meet these needs. It is therefore assumed that value is created by the manufacturer or supplier in the form of attributes and benefits, which are embedded in a product or service to effectively present solutions to specific needs (Slater and Narver, 1990). The challenge to the firm is to design products and services in such a way as to ensure that they successfully meet the needs of target customers, thereby creating customer value (Woodruff and Flint, 2006). Product design and development subsequently involves the capturing of the 'voice of the customer' in the form of their needs and consumption goals and its translation into design specifications via processes such as quality function deployment (Jaworski and Kohli, 2006; Griffin and Hauser, 1993). Customer value is maximised when an offering exceeds the need-based expectations of the customer or provides solutions to previously unrecognised or unarticulated needs (Slater and Narver, 2000; Khalifa, 2004; Simova, 2009), resulting in the creation of an emotional bond between the supplier and customer (Butz and Goodstein, 1996).

5.2 The Emerging View: Customer Value as Arising from Customer Experience

The alternative view of customer value assumes that, rather than being added to goods or services through their design, customer value arises from customer experience. As Chapter 4 describes, customer experience refers to the interaction of a customer with a company or its offering and the subsequent response of the customer to this interaction. Within the experiential customer value literature it is asserted that these interactions and resulting responses give rise to determinations of customer value (Prahalad and Ramaswamy, 2003).

Holbrook and Hirschman (1982) provide a foundation for this assertion in their discussion of the experiential elements of consumption. Holbrook and Hirschman (1982) posit that, in addition to the logical processing of information and rational decision making activities that drive product and purchase choice, consumption behaviours incorporate the pursuit of fun, feelings and fantasies (Holbrook and Hirschman, 1982). As the multi-dimensional perspective of value as goal-driven describes (Section 3.2.2.), customer value will arise when these hedonic goals are fulfilled. This necessitates the interaction of the consumer with a firm's offering at a level of involvement which stimulates multiple senses and engages the customer on the required sensory and emotional levels during the ensuing customer experience (Holbrook and Hirschman, 1982). This relationship between customer goal fulfilment and customer experience therefore supports the view of value as arising from the experience of the customer with a specific offering. Holbrook's (1999) definition of value captures this accordingly:

"Customer value is an interactive relativistic preference experience"
(Holbrook, 1999, p. 5)

Within this definition the word 'experience' implies that "value resides not in the product purchased, not in the brand chosen, not in the object possessed, but in the consumption experience(s) derived there from" (Holbrook, 1999, p. 8). As described in Section 3.2.1 however, the limitations associated with Holbrook's

overall definition and accompanying typology of customer value result in it presenting a poor conceptual foundation.

Empirical support for the view of customer value as arising from customer experience is provided by the findings of studies with a focus on experiential offerings such as sky-diving (Celsi et al., 1993), river-rafting (Arnould and Price, 1993) and group Harley-Davidson riding (Schouten and McAlexander, 1995; Schembri, 2009). Partakers of these activities derived customer value through the resulting achievement of diverse goals. Escapist or thrill-seeking desires were satisfied, new skills were developed and the recognition and enhancement of personal status within a given community occurred. Further value arose from the relationships developed with fellow customers and the resulting social interactions these fostered (Arnould and Price, 1993; Celsi et al., 1993; Schouten and McAlexander, 1995; Schembri, 2009). These empirical investigations therefore support the notion of value as arising from customer experience. However, this support is somewhat limited by the immersive and participatory nature of the offerings of interest and it is less clear from these studies whether or how customer experience with more 'mundane' products and services gives rise to customer value.

Further support for the notion of value as arising from customer experience is provided by the *service dominant logic* (Vargo and Lusch, 2004). This consists of a series of foundational principles, designed to reflect a marketing approach with a focus on facilitating the exchange of skills and resources rather than economic units (e.g. goods and money). A service dominant logic perspective of customer value describes it as arising at the intersection of a customer and a firm through the process of consumption, in the form of *value-in-use* (Lusch and Vargo, 2006). Consumption is subsequently described as consisting of various 'value co-creation' processes, in which the firm and customer resources are combined and utilised in unique and idiosyncratic ways (Vargo and Lusch, 2008; Payne et al., 2008). These co-creation processes occur throughout the multiple interactions comprising the whole period of involvement of a customer with a firm or its offering (Prahalad and Ramaswamy, 2004), resulting in

customer value which is personal and phenomenological in nature (Lusch and Vargo, 2006). This longitudinal view of the customer-firm interaction concurs with the definition of customer experience as encompassing the total interaction of a customer with a firm (Verhoef et al, 2009; Lemke et al., 2011) and the presence of the continuous value co-creation processes associated with this interaction therefore supports the notion that customer value arises from the total customer experience.

The role of the firm in maximising customer value within this context is not to focus solely on the design and delivery of enhanced products, but to understand and subsequently facilitate these value co-creation processes (Payne et al., 2008; Grönroos, 2000), thereby mobilising customers to co-create value with the firm's resources (Normann and Ramirez, 1993). The firm's resources within this context consist of products, services and their various inputs, such as technology, supplier relationships and employee skill (Normann and Ramirez, 1993). Customer resources may consist of money, skills, information, equipment (Payne et al. 2008) or relationships with others (Schau et al., 2009). This breadth of resource available to the customer for use in value co-creation implies that not all co-creating interactions and processes will be within the direct control of the firm. Customers may deploy their resources in creative and unexpected ways and derive unanticipated customer value from a firm's offering (Arnould and Price, 2006). This therefore supports the assertion within the customer experience literature that not all elements of a customer experience can be actively choreographed and managed (Meyer and Schwager, 2007; Verhoef et al., 2009; Lemke et al., 2011) and furthermore implies that value cannot be pre-defined and delivered to the customer by the firm. Consequently, in addition to supporting the notion of customer value as arising from experience, the service dominant logic captures the holistic nature of the experience giving rise to customer value.

Like Holbrook's (1999) definition of customer value, however, Vargo and Lusch's (2004) foundational principles and conceptualisation of customer value as value-in-use (Lusch and Vargo, 2006) lack any empirical derivation. The

development of the service dominant logic prompted a series of works that sought to build upon this initial redefinition of value and both refine and extend the contribution of the service dominant logic dialogue to value conceptualisation. The terms value-in-context (Vargo, 2008), value-in-social-context (Edvardsson et al., 2011) and value in the experience (Helkkula et al., 2012) are subsequently formulated, each adding further theoretical (Edvardsson et al., 2011; Vargo, 2008) or empirically supported (Helkkula et al. 2012) refinement to extant understanding of the medium and mechanism of value creation (Grönroos and Voima 2013). However, the actual concept of value remains undefined within these contributions. For example, Helkkula et al.'s (2012) definition of value in the experience as “value that is directly or indirectly experienced by service customers within their phenomenological lifeworld contexts” (Helkkula et al. 2012, p. 61) has a circularity in its definition that fails to define what value actually is. The result, therefore, is an increased volume of terminology within the customer value dialogue that supports the notion of value as arising from experience, yet fails to address the ambiguity surrounding the nature of value perceptions.

5.3 Conclusions from the Experiential Customer Value Literature

The review of the experience customer value literature described in Chapter 5 gives rise to three key conclusions of relevance to this research:

Conclusion 7: There is an emerging view within the literature that customer value arises from customer experience, rather than being embedded in products and services through design.

Conclusion 8: The service dominant logic commentary describes how the customer experience which gives rise to customer value is holistic in nature, as described in Section 4.2.

Conclusion 9: While the findings of recent service-dominant logic inspired research supports the notion that value arises from customer experience, the studies also contribute to the continued ambiguity surrounding the exact nature of customer value perceptions.

6 Conclusions from Literature Review

As described in Section 1.1, this research focuses on the concept of customer value and seeks to address the current poverty of insight regarding the nature and means of measuring value perceptions. The conclusions drawn from the three literature domains and described in Sections 3.2.4, 4.3 and 5.3 inform this area of interest in a number of significant ways. Table 4 (overleaf) provides a summary of the conclusions and resulting implications for this study.

Table 4: Summary of Conclusions from Literature Review

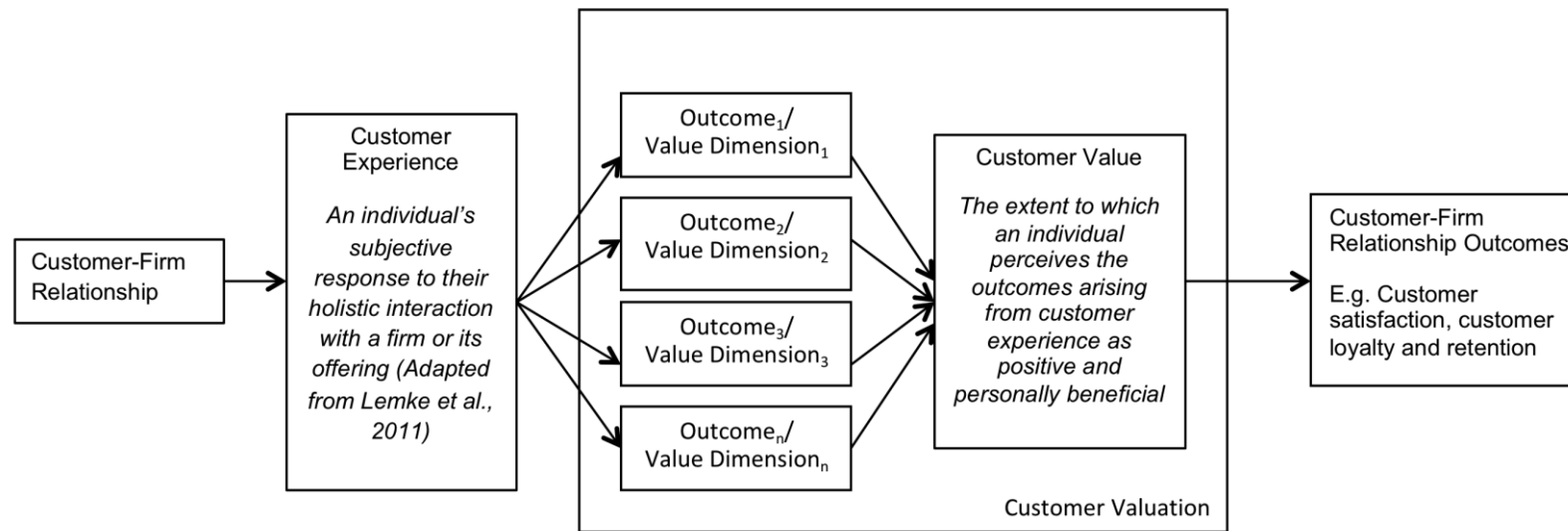
Literature Domain	Conclusions	Implications for Research
Customer Value	<p>1: One-dimensional approaches to customer value conceptualisation provide a partial, potentially flawed description of value; applications of the one-dimensional perspective produce limited actionable insights of questionable validity.</p> <p>2: The multi-dimensional conceptualisation of customer value offers a more comprehensive and granular perspective than the one-dimensional approach. However, the typologies most commonly applied in value investigations are inconsistent and lack empirical derivation. Furthermore, they are conceptually flawed and complex to operationalize.</p> <p>3: The definition of customer value as goal-driven presents a comprehensive, dynamic, idiosyncratic and uncategorised view of value, overcoming many of the limitations associated with the one-dimensional and typological approaches to value conceptualisation. However, this perspective is limited by its lack of empirical derivation, confusion with quality and complex operationalization.</p> <p>4: Complex models of customer value have been produced reflecting the synthesis of key contributions from the one and multi-dimensional approaches to customer value conceptualisation. However, these models also lack any empirical derivation or recommendations for use in studies of customer value.</p>	<p>The following implications for research are derived from conclusions 1 to 4:</p> <ul style="list-style-type: none"> a) There is current lack of robust insight pertaining to customer value, its nature and means of measurement due (at least in part) to the limitations associated with current value conceptualisations and accompanying research methodologies. b) Applying a multi-dimensional perspective to value research presents greater potential for comprehensive value insights than a one-dimensional approach. c) However, due the limitations associated with existing multi-dimensional conceptualisations, a robust platform for empirical research is currently lacking. d) The development of a revised conceptualisation of customer value would therefore present a foundation for empirical investigations of value and the generation of robust, valid findings regarding the nature of the concept and effective means of its measurement.
Customer Experience	<p>5: The company-centric view of customer experience dominates the commentary to date in respect of customer experience, yet provides only a partial description of the customer experience concept.</p> <p>6: A smaller volume of customer-centric studies presents a more holistic view of customer experience. However, further empirical research is required to develop a comprehensive model of customer experience.</p>	<p>Conclusions 5 and 6 give rise to the following implications:</p> <ul style="list-style-type: none"> e) Customer experience should be viewed in customer-centric, holistic terms. f) The opportunity exists to contribute to the growing body of customer experience knowledge, through deriving insights into the outcomes of customer experience
Experiential Customer Value	<p>7: There is an emerging view that customer value arises from customer experience, rather than being embedded in propositions through design.</p> <p>8: The service dominant logic commentary describes how the customer experience which gives rise to customer value is holistic in nature.</p> <p>9: The findings of service dominant logic-inspired research support the notion that value arises from customer experience. However, through their introduction of poorly defined terminology, the studies also contribute to the ambiguity surrounding the nature of customer value perceptions.</p>	<p>Conclusions 7 – 9 present the following research implications:</p> <ul style="list-style-type: none"> g) The holistic customer experience should be examined as the source of customer value perceptions h) The opportunity exists to refine the contributions to knowledge of value from service dominant logic-inspired research to knowledge of value, by reflecting their core themes in a study that defines value in a robust manner.

7 Conceptual Framework

As conclusions a-d in Table 4 attest, the customer value dialogue lacks a robust conceptualisation of value upon which to base empirical endeavours. Accordingly, a revised conceptual framework is developed within this investigation, presenting a robust foundation for the empirical investigations necessary to address the research questions derived in Chapter 8 and presented in Table 6. The revised conceptualisation of value (Figure 4, overleaf) combines the strengths of previous definitions of value and related concepts (e.g. value-in-use) while overcoming their limitations, thus offering enhanced conceptual rigour. In addition, improved conceptual clarity results from the specification of value as a second order construct, the avoidance of any confusion with perceptions of quality, and the use of 'value' as the focal term, rather than 'value-in-use' or 'value-in-context'. Furthermore, the revised conceptualisation addresses the ambiguity surrounding the customer value construct by specifying its source and the manner of its manifestation, thus providing greater simplicity of operationalisation than previous conceptualisations, through the resulting specification of areas and methods of investigation.

Within this Chapter, three core features of the conceptualisation and the associated strengths arising therefrom are discussed in detail: the definition of customer value (Section 7.1), customer value as a second order construct (Section 7.2) and customer value as arising from customer experience (Section 7.3).

Figure 4: Conceptual Framework



7.1 Defining Customer Value

As Figure 4 illustrates, value is defined within this investigation as *the extent to which an individual perceives the outcomes arising from customer experience as positive and personally beneficial*. The conceptual framework thus depicts *derived* customer value rather than *anticipated* customer value, which would arise prior to interactions such as product purchase or usage.

The focus on outcomes in this definition reflects the goal-driven value perspective proposed by Woodruff (1997), as perceived positive (or negative) outcomes will arise from the recognition of successful (or unsuccessful) goal achievement. This relationship between outcomes and goals is supported by Macdonald et al. (2011), as their definition of value-in-use as “a customer’s *outcome, purpose or objective* that is achieved” (Macdonald et al., 2011, p. 671, emphasis added) implies an interchangeability between outcomes and purposes or objectives, where the latter can be reasonably adopted as synonymous with goals. This link with goal theory is indeed explicit in their justification for their definition. Unnecessary complexity within the conceptualisation and its subsequent operationalisation is consequently avoided, as the emphasis on outcomes rather than goals negates the need for a direct investigation of the latter. The definition of value within Figure 4 therefore reflects the strengths of the goal-driven perspective: multi-dimensionality, granularity, diversity and dynamism due to the nature of goals pursued and outcomes subsequently realised. The major limitation associated with complexity of application is also addressed.

The focus on outcomes within Figure 4 also addresses a number of the weaknesses associated with value typologies of Holbrook (1999) and Sheth et al. (1991), described in Section 3.2.1 as underpinning the majority of investigations of value in multi-dimensional form. Specifically, the definition presents a multi-dimensional conceptualisation with no preconceived or generic categorisation, thus allowing for the context specific nature of value perceptions. Furthermore, the phrase ‘the extent to which’ within the definition incorporates both value enhancing (positive) and value destroying (negative) outcomes,

thereby addressing the criticism levied at value typologies for their over-emphasis on value enhancement in the form of benefits realised through consumption (Sanchez-Fernandez and Iniesta-Bonillo, 2007). In addition, through emphasising perceived personal benefits rather than customer assessment of proposition attributes, the definition avoids any conceptual confusion with perceptions of quality, overcoming a limitation inherent within existing value typologies (Holbrook, 1999; Sheth et al., 1991) and Woodruff's (1997) goal-driven conceptualisation of value.

7.2 Value as a Second-Order Construct

Figure 4 offers further conceptual clarity through the depiction of customer perceived value as a second-order construct. The revised conceptual framework thus captures the abstract nature and complexity of the construct, alluded to but not specifically delineated in extant definitions. For example, both Zeithaml (1988) and Woodruff (1997) describe value as arising in more abstract form than customers' subordinate perceptions of proposition quality. However, the model in Figure 4 captures the abstract nature of the value concept in such a way that distinguishes it from quality and enables the accurate examination and measurement of value.

Furthermore, the depiction of customer value as a second-order construct reflects the notion of multi-dimensionality captured within the value typologies (e.g. Holbrook, 1999; Sheth et al., 2001): value is comprised of numerous dimensions. However, enhanced clarification of the nature of this multi-dimensionality is afforded by the acknowledgement within Figure 4 of value dimensions as first-order constructs, manifested through the recognition outcomes from customer experience, and overall value perceptions as a second-order construct. The relationships between outcomes, value dimensions and overall customer value constitute a process of *customer valuation*, whereby customer value perceptions arise in multiple dimensions from customer experience, and are subsequently accumulated into an overall perception of value. These relationships are captured within the box in Figure 4

that encloses outcomes/value dimensions and customer value and are illustrated in greater detail in Figure 5 (overleaf), which is a partial expansion of Figure 4. The revised conceptualisation thus overcomes the limitation associated with value typologies' failure to capture value at an appropriate level of abstraction.

Figure 5: Customer Value as a Second Order Construct

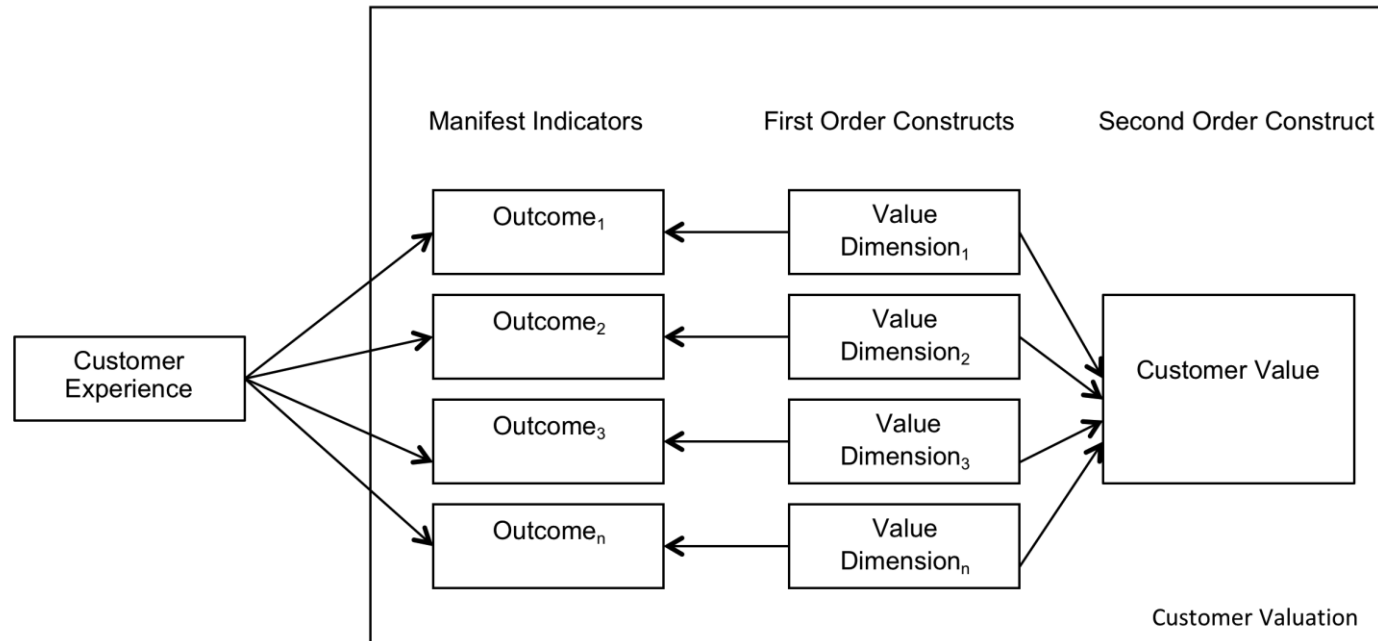


Figure 5 serves to illustrate the theoretical nature of the relationships between outcomes, value dimensions and overall perceptions of value, an understanding of which is fundamental to the development of tools with which to measure the relevant constructs, as necessitated by research questions 2a and 2b. Specifically, the measurement tool developed and the methodology required to do so are dependent on whether the focal constructs are to be measured *formatively* or *reflectively* (Diamantopoulos and Winklhofer, 2001; Wilcox et al., 2008). This decision is driven by the relationships between the focal constructs and the indicators by which they will be measured (Diamantopoulos et al., 2008). The relationship between a focal construct and its indicators differs between reflective and formative scenarios in a number of key ways (Diamantopoulos and Winklhofer, 2001; Jarvis et al., 2003), which are described in Table 5, below.

Table 5: Characteristics of Formative and Reflective Relationships³

Characteristic	Formative Relationship	Reflective Relationship
Direction of causal relationship between focal construct and indicator	Direction of causality is from indicator to focal construct. Indicators are viewed as defining characteristics of constructs.	Direction of causality is from focal construct to indicator. The focal construct gives rise to the indicator as an effect.
Impact of change in focal construct	A change in the focal construct is not expected to result in changes to indicators.	Changes in the focal construct will drive changes in all indicators.
Impact of change in value of an indicator.	A change in an indicator may result in a change to the focal construct. However, variation in one indicator does not necessarily result in similar changes in other indicators.	A change in an indicator would not be expected to cause a change in focal construct, but may be associated with change in other indicators.

³ Table adapted from Jarvis et al. (2003)

Studies in which the relationship between a focal construct and its indicators is of a formative nature should logically seek to develop a means of measuring the focal construct in a formative manner and the methodology employed in the development of the measurement tool will reflect this. Conversely, where a conceptual model depicts reflective relationships between the construct of interest and its indicators, subsequent methodologies will deliver a tool that measures the focal construct reflectively (Diamantopoulos and Winklhofer, 2001; Jarvis et al., 2003). The question of appropriate measurement and methodology becomes more complex, however, where the construct of interest is multi-dimensional (Jarvis et al., 2003; Diamantopoulos et al., 2008), as is assumed within the context of this study in respect of customer value. Multi-dimensional constructs reflect an accumulation of individual dimensions, thus representing a higher level of abstraction than the one-dimensional constructs of which they are comprised. Two distinct levels of analysis therefore require consideration in respect of multi-dimensional construct measurement (Jarvis et al., 2003; Diamantopoulos et al., 2008): one in which the relationship between manifest indicators and the first-order dimensions is examined, and a second that relates these first-order dimensions to the second-order, multi-dimensional focal construct. Relationships at each level of analysis may be formative or reflective, giving rise to four potential multi-dimensional measurement models: formative first-order and formative second-order, formative first-order and reflective second-order, reflective first-order and formative second-order, and reflective first-order and reflective second-order (Jarvis et al., 2003; Diamantopoulos et al., 2008).

To determine whether customer value should be measured formatively or reflectively requires an examination of the conceptualisation in Figure 5 in conjunction with the characteristics in Table 5. The direction of arrows within Figure 5 denotes the direction of causal relationships within the conceptualisation, which as Table 5 describes, are key to determining whether relationships are formative or reflective. The arrows in Figure 5 lead from first-order customer value dimensions to the manifest indicators (outcomes). This implies a reflective relationship between the value dimensions and outcomes.

That is, a respondent's recognition of an outcome as positive or negative will reflect an underlying perception of enhanced or reduced value. Furthermore, in accordance with the criteria for a reflective relationship (Table 5), changes in the value perceived by a consumer will impact the extent to which an outcome is perceived to be positive and personally beneficial; reducing perceived levels of a specific dimension of value will result in outcomes being viewed as less positive. In contrast, a change in the positivity of an outcome would not necessarily cause a change in the underlying value dimension.

With respect to the relationship within Figure 5 between second-order customer value and the first-order value dimensions of which it is comprised, the direction of causality depicted by the arrows illustrates a formative relationship. Accordingly, a change in customer perceptions of a value dimension will impact the overall customer perceived value, yet changes in overall value would not drive changes in value dimension perceptions. Overall, Figure 5 captures the first-order reflective, second-order formative nature of the conceptualisation underpinning this study. The impact of this element of the conceptualisation on the methodology applied to measure development is discussed in Section 9.2.1.4.

7.3 Value as Arising from Customer Experience

As the definition of value states, and in line with conclusion g within Table 4, value perceptions are conceptualised within this study as arising from the recognition by customers of the outcomes of their customer experiences. Customer experience is in turn defined as *an individual's subjective response to their holistic interaction with a firm or its offering*, adapted from Lemke et al. (2011). This definition reflects the customer-centric view of customer experience and describes it in holistic terms, thus reflecting conclusion e in Table 4. Within the definition, the term 'encounter' (as adopted by Lemke et al., 2011) is replaced by 'interaction'. The term 'interaction' was felt to be more appropriate within the context of this investigation as, while an encounter implies a meeting between the customer and an STV proposition, viewing this

as an interaction adds an element of dynamism to this scenario. Moreover, the term interaction more accurately reflects the notion of resource integration, proposed within the service dominant logic as fundamental to realisation of value from customer experience.

By defining customer experience in this manner and incorporating it within the conceptualisation as the source of value, the foundational principles of the service dominant logic are reflected: that value is subjectively perceived by customers from their consumption experiences and realised through co-creation processes, in which customers act as integrators of diverse personal and firm-supplied resources (Vargo and Lusch, 2008; Payne et al., 2008). In addition, the holism within the definition of customer experience captures numerous interactions, incidences of resource integration, customer responses and the subsequent recognition by the customer of multiple, diverse outcomes from which value perceptions can be interpreted. The need for a comprehensive multi-dimensional view of customer value is thus supported.

However, while previous extensions of the service dominant logic have produced ambiguous and difficult to operationalise terminology such as value-in-use (Vargo and Lusch 2004) and value-in-context (Vargo 2008), the revised conceptualisation incorporates the key contributions of this emergent paradigm with core themes from within the customer value dialogue, producing a revised definition of customer value. Any further conceptual cluttering within the value domain is subsequently avoided, in line with conclusion h in Table 4.

8 Research Questions

Chapter 7 presented a revised conceptualisation of customer value, synthesised from extant literature in order to produce a robust foundation for the current value investigation. In Chapter 8, research questions are derived from the findings of the literature review that are suitable for empirical investigation and will address gaps in current knowledge. Additionally, within this chapter, the core areas within the revised conceptualisation to which the research questions relate are highlighted, thus evidencing the use of the conceptual model in Figure 4 as a foundation for research within this study.

The review of the customer value literature (Chapter 3) highlights the lack of robust knowledge of the nature of customer value and, by extension, the means of achieving its measurement. These two gaps in extant knowledge give rise to two research questions, which this investigation seeks to address:

Research Question 1: What is the nature of customer value arising from customer experience?

Research Question 2: How can customer value arising from customer experience be measured?

These high level research questions break down into three research sub-questions, suitable for investigation via empirical research. These are illustrated in Table 6, overleaf.

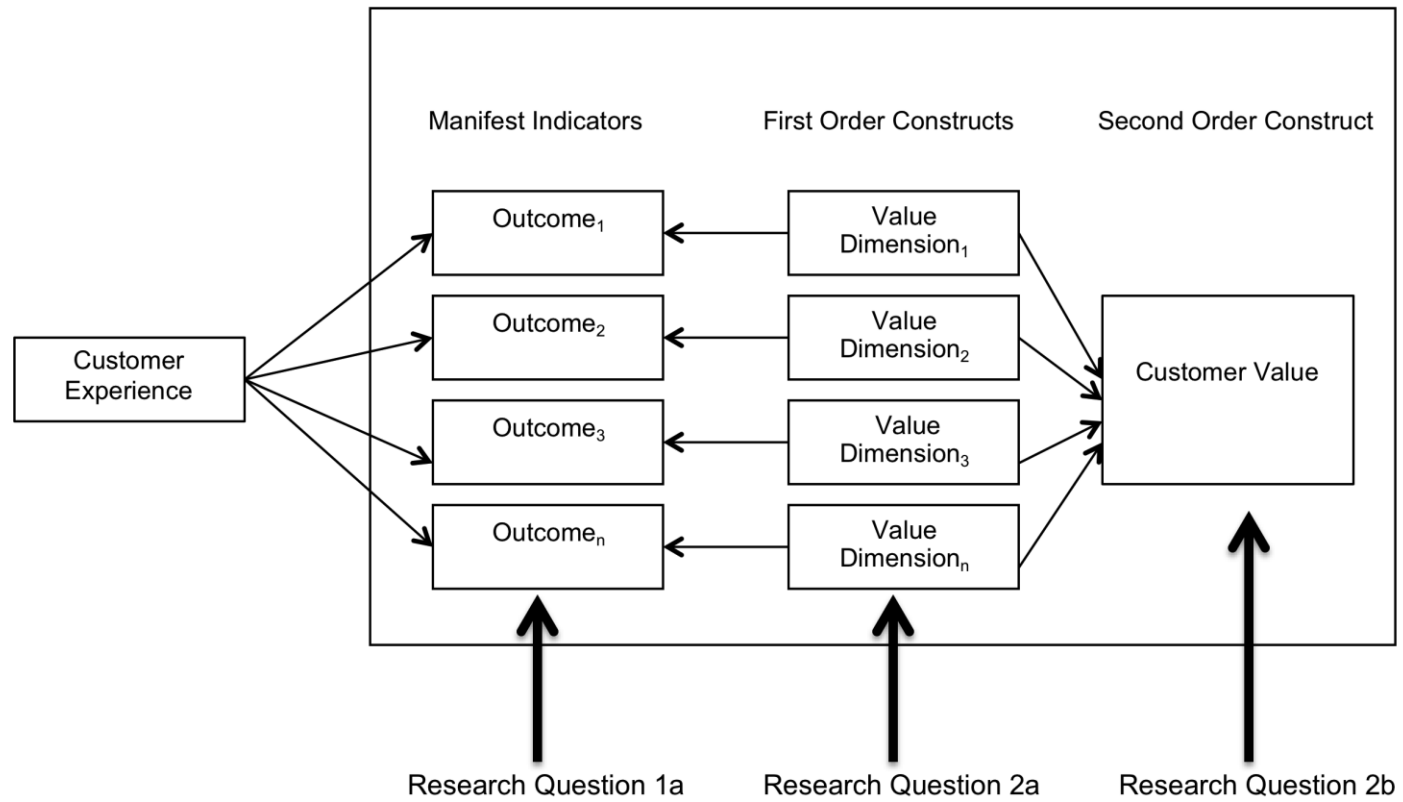
Table 6: Research Questions

Research Questions	Research Sub-Questions
1. What is the nature of customer value arising from customer experience?	Within the context of interest:
	1a. The customer experience gives rise to the recognition by the customer of the achievement of which outcomes?
2. How can customer value arising from customer experience be measured?	2a. What items should be incorporated in measures of value dimensions?
	2b. What items should be incorporated in a measure of overall customer value as it arises from customer experience?

Within Table 6, research question 1a reflects the revised conceptualisation of customer value depicted in Figure 4. Specifically, a focus on the outcomes of customer experience enables the accessing of more abstract perceptions of customer value dimensions. The holistic definition of customer experience adopted within the conceptualisation ensures outcomes are multiple and diverse, supporting the need for comprehensiveness within the resulting findings. Research questions 2a and 2b reflect the relationships shown in Figure 5 between first-order value dimensions and value as a second-order construct. That is, to measure value accurately requires the accurate measurement of first-order dimensions and overall perceptions at the second-order level. As outcomes from customer experience represent the manifest indicators of value dimensions, the achievement of research question 1a is necessary for the addressing of questions 2a and 2b.

In Figure 6 (overleaf) the partial revised conceptualisation presented in Figure 5 is reproduced, and the areas investigated by each research question are indicated.

Figure 6: Areas of conceptual framework upon which research questions are focussed



9 Research Methodology

Having developed a revised conceptualisation of customer value and derived a series of research questions, the purpose of this Chapter is to describe the methodology employed in addressing these questions. The context of enquiry is described and a summary of the two-phase approach, developed in accordance with the research questions, is presented. A rationale for this approach is duly presented, with a philosophical justification. The subsequent sections of this Chapter provide a detailed description of the steps undertaken in each phase of the methodology. First, the qualitative phase is presented, with research methods, participants, data analysis and interpretation discussed in detail. Second, the two distinct processes of scale and index development are described. Again, data collection methods are discussed, with details provided regarding survey design, respondents and data analysis.

9.1 The Context of Enquiry: Subscription TV Services

The business-to-consumer context within which this investigation is focussed is subscription TV (STV) consumption. Subscribers to these services pay a monthly fee for packages of TV channels, which provide greater volume and variety of viewing options than the alternative free services, funded solely by licence fees or advertising revenues. Incorporated with these STV packages are technology-based offerings, such as hard-drive recording facilities that negate the need for DVD recording equipment and provide the ability to pause live television and rewind if desired, multi-room facilities to enable the watching of paid-for programs in multiple locations in the home, and remote viewing capabilities such as access via smart phone or tablet devices. In addition to these TV-related propositions, the key players in this market offer broadband and landline telephone services, which can be added to TV services to form a bundle. This context is highly appropriate for this investigation for a number of reasons:

1. The offering has mass-market customer appeal. STV was present in about 50% of UK households in March 2012 (Office for National Statistics, 2012; Ofcom, 2012). As a consequence this study generates insights of potential relevance and applicability to alternative contexts. In contrast, specialist or niche propositions with a smaller market penetration may be associated with unique perceptions of customer value, arising from customer experiences not shared by the wider UK population. The extent to which the resulting insights from a study within a niche context could be applied to other categories might therefore be more limited.
2. Despite continuous innovation within this sector, the core customer propositions were unlikely to become technologically obsolete during the course of this study, ensuring that resulting insights are relevant.
3. STV services are a lifestyle-type proposition with UK consumers spending an average of four hours each day watching TV (Ofcom, 2012; Mintel, 2012). This ensured that participant interactions with the services over the period of investigation were sufficient to generate a volume and variety of interactions and outcomes from which perceptions of value were derived.
4. Insights pertaining to STV consumption are of relevance to the broader, emerging category of mobile interactive entertainment. Smartphone penetration within the UK has reached 67% with scope for further growth; by April 2013 35% of UK households had added a tablet to their gadget portfolio (Mintel, 2013). STV companies are innovating accordingly, offering streaming, download and multi-platform viewing options via these devices (Mintel, 2012), thereby ensuring they capitalise on this evolution in entertainment consumption. While STV customer experiences will therefore naturally evolve, underlying goals are likely to remain focussed on the consumption of entertainment and as a result, the insights derived from this study in respect of outcomes and value perceptions are likely to apply to this broader mobile interaction entertainment context.

Sponsorship for this project was secured from a FTSE 100 firm with interests in the STV market. This sponsorship provided a number of key benefits, such as the provision of funding and resulting ease of access to research participants. In addition, the sponsoring firm have an existing relationship with the company pioneering the real-time experience tracking method described in Section 9.2.1.3 and at the time of data collection a continuous tracker was in place, whereby subscription TV consumers were recruited on an on-going basis for participation in week-long real-time tracking studies. This had the advantage of presenting a source of participants for phase 1 of this research, as interviewees are required to have completed a tracker within the context of interest.

9.2 The Research Process and Methodology: An Overview

To address the research questions in Table 6, a two-phase methodology was developed:

Phase 1: A qualitative study in which a multi-dimensional model of customer value arising from customer experience is derived from primary customer research, addressing Research Question 1a in Table 6.

Phase 2: A quantitative investigation in which a customer value index is derived from the model developed in phase 1, addressing Research Questions 2a and 2b in Table 6.

These phases entail a series of distinct steps, each pursuing unique objectives and employing specific research techniques. Figure 7 (on pages 72 and 73) illustrates the breakdown of phases 1 and 2 into their respective steps and provides details of the objectives and approaches applied.

Figure 7: Research Methodology Overview

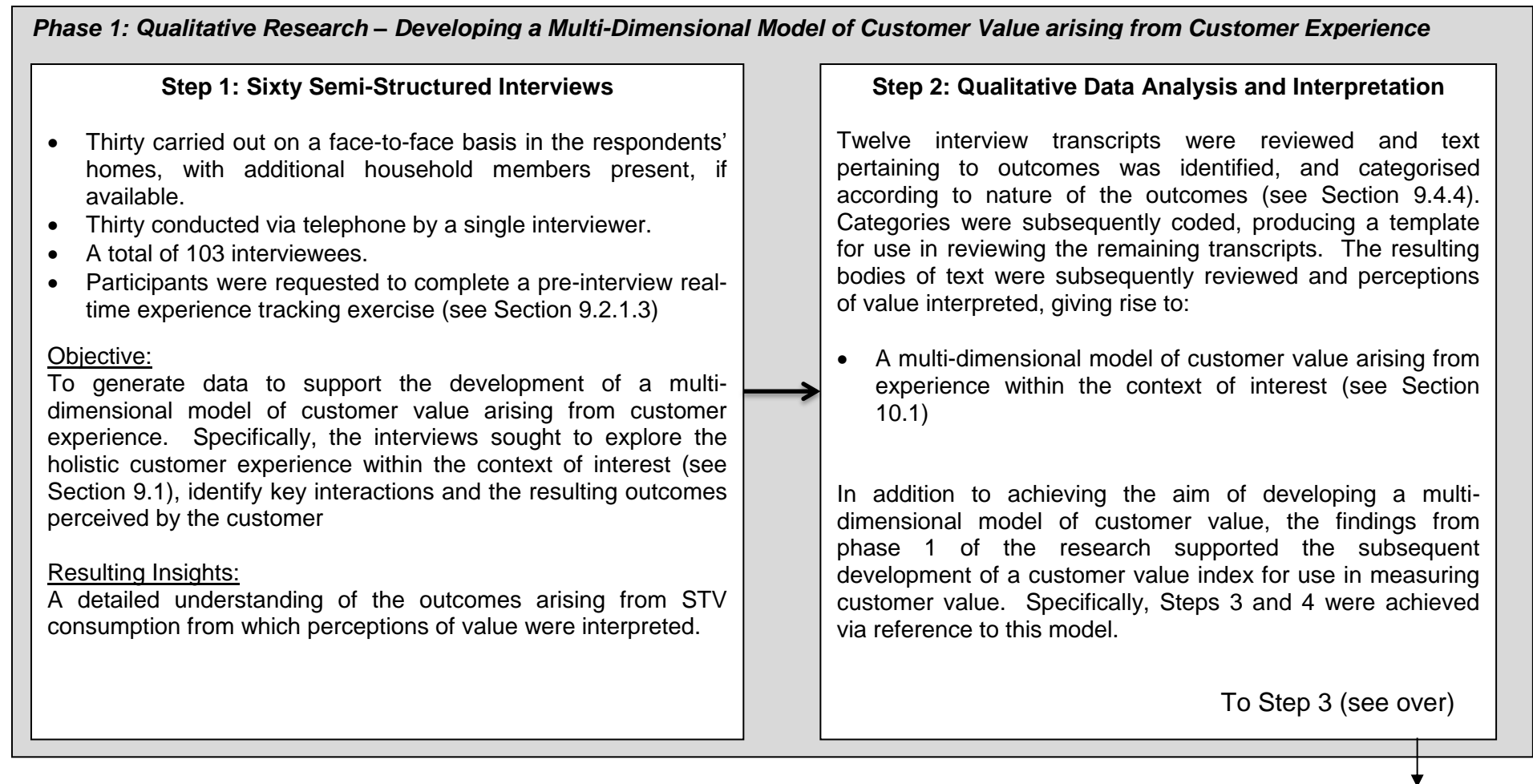
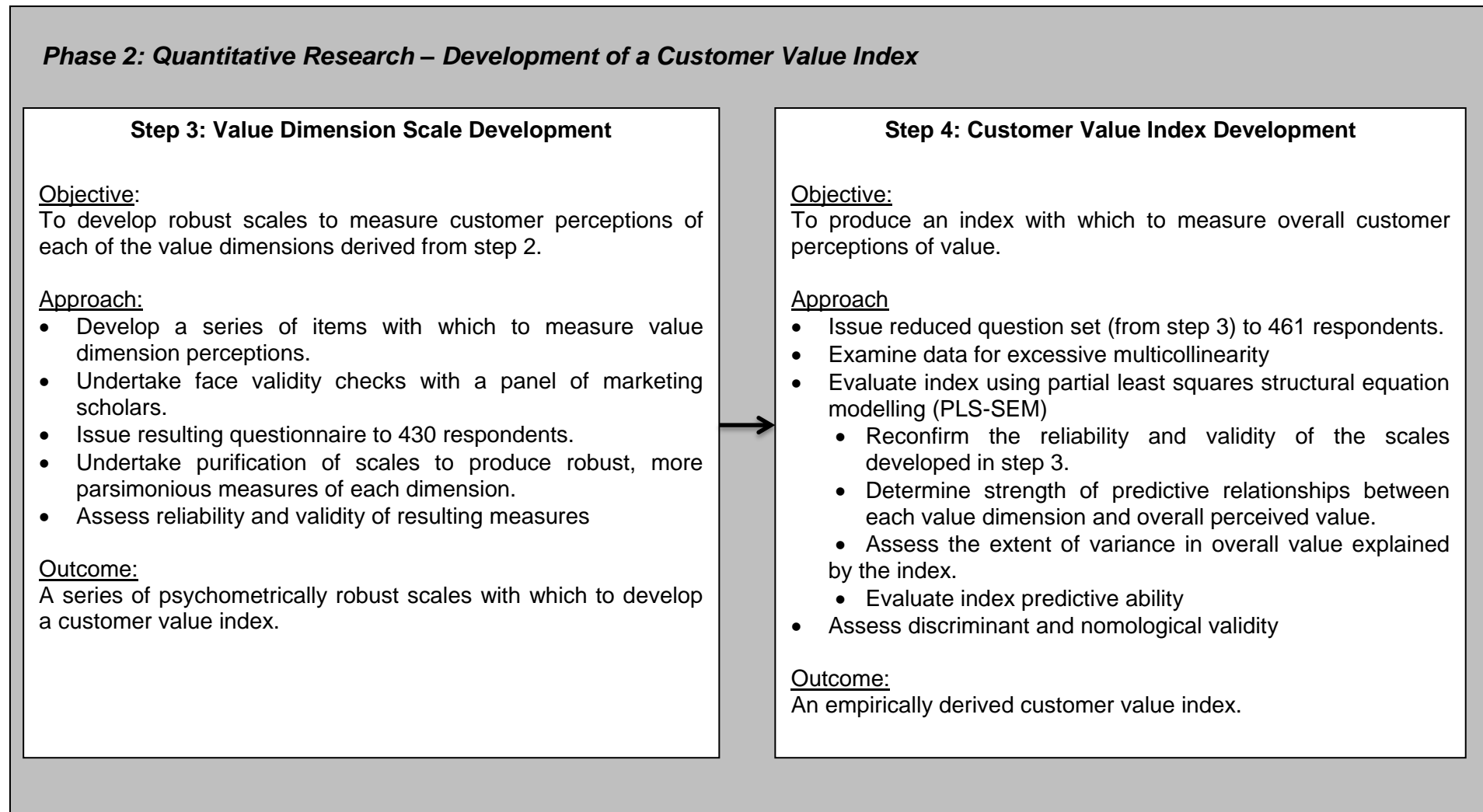


Figure 7 Continued: Research Methodology Overview



9.2.1 Rationale for Research Methodology

The following discussion provides a detailed rationale for the research methodology illustrated in Figure 7. Specifically, justification is provided for:

- The two-phase, mixed method (qualitative and quantitative) approach to addressing the research questions in Table 6.
- The combination of face-to-face and telephone interviews within phase 1
- The inclusion of a pre-interview real-time tracking exercise in phase 1
- The application of distinct scale (step 3) and index (step 4) development techniques within phase 2.

9.2.1.1 A Two-Phase, Mixed Method Approach

The adoption of a two-phase, qualitative and quantitative approach within this investigation was deemed to be appropriate due to the diverse nature of the research questions, presented in Table 6 and repeated below:

Research Question 1: What is the nature of customer value resulting from customer experience?

Research Question 2: How can customer value arising from customer experience be measured?

The research approach was designed to address these questions individually: phases 1 and 2 in Figure 7 address research questions 1 and 2 and their associated sub-research questions (1a, 2a and 2b) respectively. The adoption of a 2-phase, mixed methods approach enables the application of techniques most appropriate for addressing each question in a complete and robust manner.

Specifically, to address research question 1 requires an in depth investigation of customers, their experiences and resulting perceptions. Qualitative interviewing was therefore adopted as a means of data collection, as it enables the

investigation of “the world from the subject’s point of view” (Kvale and Brinkmann, 2008, p. 1), and supports the uncovering of respondent experiences and associated meanings (Kvale and Brinkmann, 2008). In addition, given the different perceptual levels to which access is required (that is, interactions, and subsequent perceptions of outcomes) the use of qualitative interviews was felt to be appropriate, as this approach allows for the use of open questions and probing techniques (e.g. laddering) (Baker, 2002; King, 2004a) to uncover the phenomena of interest and relationships between them (Miles and Huberman, 1994). In addition, due to the anticipated richness of data associated with investigating customer value arising from the holistic customer experience, the use of qualitative interviews allowing flexibility of questioning was felt to be necessary to ensure that all dimensions of customer value were captured (Miles and Huberman, 1994). In line with the goal of developing a model of customer value that is representative of the context of study, the interviews were carried out on a semi-structured basis to allow some commonality of questioning between respondents and subsequent consistency of data captured.

Research question 2 and sub-research questions 2a and 2b differ from questions 1 and 1a as, whereas the latter focuses on an in-depth examination of a complex phenomenon, questions 2a and 2b are concerned with the development of individual value dimension scales and an index by which overall customer value arising from customer experience can be measured. Procedures for scale and index development are documented (e.g. Churchill, 1979; Diamantopoulos and Winklhofer, 2001; Rossiter, 2002) and by necessity involve quantitative and statistical analytical techniques if the resulting tool is to provide an accurate and reliable measure of the phenomenon of interest. The adoption within this study of a 2-phase mixed methods approach therefore reflects the overall aims of the project and enables the specific research questions to be addressed individually and in a full and robust manner, with each question making a genuine contribution to knowledge.

9.2.1.2 A Combination of Face-to-Face and Telephone Interviewing

As Figure 7 highlights, of the sixty semi-structured interviews, thirty were conducted on a face-to-face basis within respondents' homes and a further thirty were carried out over the telephone. The resulting sample of 103 interviewees represented a range of household types (as described in Table 8, page 86), with participants of varying life stages and with differing lifestyles. This combined face-to-face and telephone-based approach to interviewing was undertaken so as to maximise the insight arising from discussions, in relation to interactions and outcomes arising from STV customer experiences. Specifically, a face-to-face interviewing approach facilitates the establishment of a rapport with interviewees and allows for the observation by researchers of non-verbal cues. In addition, situating discussions within respondents' homes allows for the capture of insight arising from contextual prompts and visual cues (Rosenthal and Capper, 2006). Moreover, the presence of multiple household members within the face-to-face sessions facilitates data capture, first by increasing the volume of interactions and outcomes articulated by respondents, and second by enhancing the depth of insight derived, as household members prompt or challenge each other during the course of the discussion.

Telephone interviews present the risk of reduced data quality, due to the potential difficulties in establishing a rapport over the telephone and the inability of the researcher to respond to non-verbal cues from the participant. However, the inclusion of these further thirty interviews within the research design sought to enable the capture of further relevant data from a large sample, and ultimately to ensure saturation. In addition, as the telephone interviews were conducted with individual interviewees, the risk of any undue influence arising due to the presence of other household members, that may have impacted responses during face-to-face discussions, was reduced. Overall therefore, the combination of telephone and face-to-face interviews was not felt to be detrimental to the research process. Furthermore, the decision to split the interviews in this manner supported the goals of the sponsoring firm, to generate findings from a large sample of respondents, in a relatively short period of time.

An interview protocol (Appendix A) was designed by the author and applied to all interviews, irrespective of face-to-face or telephone setting. This ensured consistency of data collection. The author worked with two additional researchers in conducting the sixty semi-structured interviews. These additional parties were professional researchers, funded by the sponsoring company. As Figure 7 states, a team of two interviewers conducted the face-to-face sessions. The author, working with both the other researchers, conducted the initial 18 face-to-face interviews. This served to train the researchers in the execution of the interview protocol (Appendix A) and supported the desired consistency of data collection. The other researchers subsequently conducted the remaining 12 face-to-face interviews. During each face-to-face interview one researcher took a leading role, guiding the discussion in accordance with the interview protocol. The role of the second interviewer was to support the process of probing, particularly in sessions where multiple household members were present. This ensured that all voices were effectively heard, enabled additional probing and supported the capture of data from all household members involved in the discussion. The presence of a second interviewer also aimed to reduce subjectivity or bias, which a single researcher might unwittingly introduce.

As Figure 7 also notes, the telephone interviewers involved only one interviewer. Of the telephone interviews, the author conducted the first 24 with the remaining six being delegated to the other interviewers. The author carried out the required data analysis and interpretation using the transcripts from all interviews.

9.2.1.3 Pre-Interview Real-Time Experience Tracking.

As Figure 7 indicates, phase 1 respondents were requested to complete a real-time experience tracking exercise prior to interview. The real-time tracking research technique (Baines et al., 2011; Macdonald et al., 2012) entails requesting participants to send a structured text message from their mobile phone whenever an interaction with a specific brand, firm, or offering occurs.

The text message content is tailored to the research objectives. However, it typically consists of up to four characters (two letters and two numbers) and captures the details of the interaction via the use of a simple coding structure, recording: the brand with which the interaction occurred; the interaction type, such as viewing an advert for the brand on TV or discussing the brand with a friend; and the customer's response to that interaction (e.g. how positive they subsequently felt, or how likely to switch provider they believed themselves to be as a result). The instructions provided to phase 1 participants are presented in Appendix B.

The text messages are structured in such a way as to make the process quick and simple for the participants while providing a wealth of experience-related data. Within the context of this investigation, this exercise served to encourage a process of respondent self-reflection prior to their interview, in respect of interactions and resulting outcomes, therefore addressing, in part, the risk of flawed participant recollection during interviews (Leonard and Rayport, 1997). In addition, the output from this pre-interview exercise provided a series of interactions and responses, captured in real time, which subsequently served as prompts for further discussion and as a source of additional narrative. This process of data expansion is described in Section 9.4.1. The examination of real-time tracking data also facilitated the capture of *actual* (as opposed to *theoretical*) interactions and perceptions, and the potential for bias within responses resulting from interviewees' attempts "to please the researcher" (Wilson, 2004, p. 385) was reduced.

In addition to the collection of text message data, pre and post-tracker surveys captured additional information, such participant demographics and pre and post-study evaluations of the phenomenon of interest, thus supporting the process of participant recruitment.

9.2.1.4 The Adoption of Distinct Scale and Index Development Techniques

As described in Section 7.2, the conceptualisation of value underlying this investigation (Figure 5) necessitates a reflective approach to the measurement of first-order value dimensions and the formative measurement of value at the overall second-order level. Accordingly, steps 3 and 4 in Figure 7 highlight two distinct approaches, necessary for the development of reliable and valid measures: step 3 describes the production of a series of dimension scales to enable the reflective measurement of value dimension; step 4 captures the procedures necessary for the development of index, with which to measure value formatively. The variation in methodology within each of these steps arises from the respective approach to measurement; as Hair et al. (2013) note: “the statistical evaluation criteria for reflective measurement scales cannot be directly transferred to formative measurement models” (Hair et al., 2013, p. 119). That is, while the scale development processes advocated by Churchill (1979) with a focus on internal consistency are appropriate for reflective measurement tools, as formative indicators typically do not covary (Jarvis et al., 2003), this approach to reliability assessment cannot be applied to formative measures (Diamantopoulos and Siguaw, 2008; Diamantopoulos and Winklhofer, 2001; Hair et al., 2013; Rossiter, 2002). Furthermore, convergent and discriminant validity criteria differ, and those applied to reflective measures are not meaningful in the context of formative measurement (Diamantopoulos and Winklhofer, 2001). The application of the two distinct procedures highlighted in Figure 7 therefore ensures that the resulting measures are robust, reliable and valid.

Moreover, this approach is in contrast with the majority of previous measure development studies within the marketing domain, that adopt an “almost universal use” (Rossiter, 2002, p. 307) of reflective scale development processes, irrespective of the underlying measurement model and relationship between indicators and focal construct. The notion of formative measurement has been largely neglected (Diamantopoulos and Winklhofer, 2001). Consequently, tools frequently produce erroneous measures of phenomena, due to the deliberate inclusion or exclusion of measurement items, undertaken

to ensure the reflective measure criteria of unidimensionality and internal consistency are met (Rossiter, 2002). Similarly, while previous value measure development endeavours have sought to achieve formative measurement (e.g. Ruiz et al., 2008), the methodologies employed have not reflected the causal nature of the relationship between the relevant indicators and focal construct. Rather, as described in Section 3.2.1, Ruiz et al. (2008) employ covariance-based structural equation modelling in index evaluation, a technique deemed to be inappropriate for formative measure evaluation (Hair et al., 2011; Hair et al., 2013), as discussed in Section 9.5.2.4. Consequently, in addition to ensuring the development of effective value measures, the approach detailed in Figure 7 overcomes previous limitations associated with measure development.

9.3 Philosophical Considerations

When designing a programme of management research the definition of the philosophical foundations of the project is fundamental for ensuring that the resulting research yields high quality and defensible findings (Chia, 2002). Philosophical considerations influence the research design process by determining the nature of the evidence required to address the research questions and the most appropriate methods of information gathering and interpretation. Designing a philosophically coherent study therefore ensures that research questions are addressed in such a way as to generate robust and valid conclusions (Blaikie, 2007; Chia, 2002; Easterby-Smith et al., 2008).

The philosophy underlying a programme of research is defined on the basis of *ontological* and *epistemological* positions, where the term 'ontology' refers to philosophical assumptions relating to the nature of reality (Chia, 2002; Easterby-Smith et al., 2008; Hatch and Cunliffe, 2006) and 'epistemology' to the assumptions regarding the most appropriate ways of studying a particular reality (Chia, 2002; Easterby-Smith et al., 2008; Hatch and Cunliffe, 2006). Ontological and epistemological assumptions have implications for the research methods employed within a project, as the methods chosen should reflect these

assumptions and investigate the phenomenon of interest in an appropriate manner (Blaikie, 2007; Chia, 2002).

This aim of this section is to describe the philosophical foundations of this study and the underlying ontological and epistemological assumptions, and to provide further rationale for the chosen methodology in the form of philosophical coherence. Descriptions of ontological and epistemological positions differ among leading authors and texts, with varying terminology used to represent different philosophical perspectives. For the purpose of this report however, it is the succinct philosophical framework created by Easterby-Smith et al. (2008) that is applied to the analysis and definition of the ontological and epistemological underpinnings of this research. Easterby-Smith et al (2008) describe three distinct ontological perspectives and three associated epistemologies. The *representationalist*, *relativist* and *nominalist* ontologies are distinguishable by their associated views of reality, specifically their respective assumptions regarding truth and fact. Table 7 (below) illustrates the three ontological positions described by Easterby-Smith et al. (2008) and their associated epistemologies.

Table 7: Ontological and Epistemological Framework⁴

Ontology	Representationalism	Relativism	Nominalism
Assumptions regarding Truth	Single truths exist, knowledge of which requires verification of predictions.	Truth reflects a consensus of many truths from different viewpoints	There is no truth. What are important are the meanings that people construct.
Assumptions regarding Facts	Facts are concrete	Facts exist, but are obscure and cannot be accessed or measured directly	Facts are the creations of people.
Associated Epistemology	Positivism	Relativism	Constructionism

⁴ Table 7 is derived from Easterby-Smith et al. (2008)

As described in Chapter 8, this study focuses on the concept of customer value with an underlying assumption that customer value can be identified and defined in such a way as to enable its subsequent measurement. Consequently any model of customer value or subsequent measurement tool derived from this research will, by necessity, reflect a consensus from the population of interest. In addition, it is assumed within this study that customer value is complex and difficult to access directly, as illustrated by the definition of value within the conceptual framework (Figure 4) as reflected by the recognition of outcomes from customer experience. From an ontological perspective, therefore, a review of the information in Table 7 implies a relativist position as the desired outcomes (a model and subsequent measure of customer value) will reflect a consensus and as the capture of customer value dimensions cannot be done directly, but necessitates the investigation of outcomes through which customer value is subsequently inferred.

Easterby-Smith et al.'s (2008) framework in Table 7 distinguishes three epistemologies that correspond to specific ontological positions in respect of their assumptions regarding the most appropriate means of enquiry. The positivist and relativist epistemological approaches share a common assumption that reality within the context of interest exists independently of the researcher and their involvement in that reality; the role of the researcher is therefore purely to identify the features or facts which are of interest to them (Easterby-Smith et al., 2008). Where these perspectives differ, however, is in relation to the ease with which the information can be accessed. Unlike the positivist approach which assumes that information is readily observable and measurable, the relativist epistemology assumes that patterns of human perceptions exist, but these elements of reality are difficult to access (Easterby-Smith et al., 2008). The conceptualisation of customer value in Figure 5 implies that it will not be readily observable due to its complex nature, and that in-depth and structured enquiry is required to fully develop a model of customer value within the context of interest. As such the epistemology underlying this study is one of relativism. As Table 7 indicates, a relativist epistemology provides an

appropriate approach to enquiry within a relativist ontology. This illustrates a philosophical coherence underpinning this research.

As established above, ontological and epistemological perspectives define a set of assumptions regarding the nature of reality and the most appropriate means of enquiring into that reality (Blaikie, 2007; Chia, 2002; Easterby-Smith et al., 2008). Closely associated with these philosophical positions are specific research methods (Easterby-Smith et al., 2008), which may be applied to the investigation of a particular phenomenon. The use of research methods which reflect the underlying ontological and epistemological assumptions is vital if research questions are to be addressed in a robust manner, producing valid insights. Figure 7 illustrates the research design underpinning this study in terms of data collection techniques employed, sample sizes and approaches to data analysis. This research design reflects the underlying ontology and epistemology in a number of ways:

- The use of in-depth interviewing facilitated probing and laddering, thereby accessing the 'difficult to reach' perceptions of customer value via positive outcomes.
- The semi-structured approach to interviewing ensures some consistency of questioning between respondents albeit it with scope for flexibility. This supports the development of a model of customer value representing a consensus.
- The translation of the findings from these interviews into self-report measures will support the subsequent investigation of the abstract customer value concept in a large-scale survey. The subsequent use of a larger scale survey will also support the production of a consensus.

The research design and techniques involved are therefore consistent with the ontology and epistemology.

9.4 Qualitative Methodology

9.4.1 Research Design

As Figure 7 illustrates, sixty semi-structured qualitative interviews were carried out in order to address research question 1a. Specifically, the interviews aimed to explore respondents' STV customer experiences and identify outcomes from which value perceptions could be interpreted. The interviews consisted of three stages. An initial introductory stage asked the interviewees to describe their current subscription TV package in terms of the options they had selected. The purpose of this stage was one of scene setting, to stimulate the respondents' thoughts in respect of STV and their customer experiences. The second stage asked a series of open-ended questions, designed to elicit outcomes from customer experience. Probing questions and laddering techniques were used to access deeper and more abstract layers of perception, with a focus on both the cognitive (e.g. "Why does that matter to you") and emotional (e.g. "How does that make you feel?") elements of perception. The third and final stage of each interview involved a review of the experience tracker data provided by participants, to ensure that the holistic focus of the study was maintained. Any interaction with STV for which a particularly strong response was reported was probed in further detail. For example, where a participant stated that an interaction made them feel 'very positive' or 'much less likely to switch or stay with a brand', this was discussed in order to facilitate the full articulation and understanding of the interaction and resulting outcome. Ultimately, the pre-interview text message data was converted into an enriched narrative, suitable for subsequent analysis and interpretation. In addition, interviewees were questioned regarding interactions not reported as occurring during the tracker period, to clarify whether they might occur at other times. Again, open and probing questions were used to uncover the desired information.

As Figure 7 highlights, the face-to-face interviews carried out in respondents' homes involved multiple household members, where possible. Only one member of each household completed the pre-interview experience tracker. However, where additional household members were present during face-to-

face meetings, they were actively involved in all stages of the interview and encouraged to discuss any experiences similar to those reported by their fellow household members in their tracker.

The interview protocol is detailed in Appendix A and was applied to both the telephone and face-to-face interviews. These sessions were therefore consistent in respect of the topics of discussion, questioning and probing techniques.

9.4.2 Research Participants

The interviewees were recruited by an external recruitment agency in accordance with specific criteria, designed to ensure that the research participants presented a sample that was representative of the STV customer base. The recruitment criteria are provided in Table 8 (overleaf), with a rationale for their inclusion. Face-to-face respondents received a cash payment of £100 for their participation. Telephone interviewees received a payment of £10.

Table 8: Phase 1 Recruitment Criteria and Rationale for Inclusion

Criteria	Rationale
Interviewees should be current STV consumers	This ensured that interviewees were able to describe interactions and outcomes within the context of interest.
Interviewees should be current subscribers of the market-leading firm (referred to as STV Co)	Restricting the sample in this manner prevented any variation in interactions or outcomes arising from technological differences in core customer proposition. As the largest provider of STV services within the UK it follows that a focus on customers of the market-leader will result in insights that are reflective of the wider STV population to a greater extent than would arise from a focus on the customers of a less successful provider.
Interviewees must have subscribed to STV for a minimum of 12 months.	This criterion ensured that the sample consisted of 'mature' STV subscribers whose articulated interactions and outcomes would not be influenced by the 'novelty factor' of a new subscription or any acquisition-related incentives.
Interviewees must have completed an STV real-time experience tracker during the month prior to the interview ⁵ .	Previous participation in the tracker was required to support the holistic focus of the study and to provide data for further probing during the third stage of the interviews, as described in Section 9.4.1. The focus on recent tracker participants ensured that events occurring during the tracker period could feasibly be recalled by the interviewee.
Interviewees should be a member of one of a range of specific household types: Household Type A: People living with a spouse/partner, aged under 35 and have no children living at home. Household Type B: People living with a spouse/partner, aged 35-55 and have no children living at home. Household Type C: People living with a spouse/partner with pre-teenage children living at home. Household Type D: People living with a spouse/partner with teenage children living at home. Household Type E: People aged 23 – 32 who share their home with other professionals (not student houses)	The rationale for this criterion was two-fold. These household types were described by the sponsoring firm as representing their majority of their core customer base. This therefore supports the goal of developing a representative sample for this investigation. In addition, the household types represent a range of life stages and lifestyles (from young single professional to empty nester) and as such the sample is designed to give rise to a diversity of interactions and outcomes which reflect these differences, thereby capturing sufficient data to develop a model of customer value which is representative of the context of interest.
They must not be highly dissatisfied with their STV provider. This was ensured via the use of the question "On a scale of 1 – 10, where 1 is not at all satisfied, how satisfied are you with <STV Co> ⁶ ?" Anyone responding with a 1 or a 2 was screened out.	This criterion arose as at the time of recruitment a recent technological issue had negatively impacted a proportion of customers, leading to complaints and subscription cancellations. This screening excluded these customers, thereby avoiding an excessive proportion of respondents within the sample with an exclusive focus on one element of their overall customer experience.

⁵ This criterion provided the added benefit of participant pre-screening and the exclusion of individuals with recent market research exposure (aside from the tracker) or employment in any industry that might give rise to bias within the sample.

⁶ During data collection <STV Co> was replaced with the name of the relevant STV provider

In addition to the criteria detailed in Table 8, two further requirements were incorporated into the recruitment process. These related to the subscriptions held by the participants and aimed to ensure a diversity of product holding within the sample, thereby maximising the variety of interaction and outcome-related data accessible through the interviews. These additional criteria are detailed in Table 9 (below) along with a rationale for their inclusion.

Table 9: Phase 1 Additional Recruitment Criteria

Criteria	Rationale
A maximum of 20 households with a sports channel subscription should be represented with the sample (10 each of the telephone and face-to-face respondents).	The requirement aimed to avoid bias within the insights arising from the study by including too great a proportion of sports channel subscribers, whose interactions and perceived outcomes are likely to be dominated by those relating to the watching of sport on TV ⁷ .
A minimum of 20 of the households represented within the sample (10 each of the telephone and face-to-face respondents) should have a subscription to both STV and STV company Broadband.	The requirement to include a proportion of broadband customers in the sample aimed to ensure the capture of interactions and outcomes relating to this element of the proposition, reflecting the growing base of customers opting for STV company broadband services and maintaining the holistic nature of the research.

The development and application of the recruitment criteria described in Table 8 and Table 9 resulted in a sampling approach that was purposive (Johnson and Harris, 2003; Easterby-Smith et al., 2008) within the context of interest. While risks subsequently existed in respect of the extent to which the sample could be deemed truly representative of the wider STV consumer population, the tailoring of the criteria (as described in Tables 8 and 9) was designed to ensure that

⁷ The anticipated focus of sports channel subscribers on sport-related interactions was supported by the sponsoring firm's existing insight into these customers.

findings would be sufficiently generalisable and support the development of a suitably representative model of customer value.

A full description of the sample recruited for phase 1 of this study is provided in Table 10, overleaf. Within Table 10, participant names are replaced by pseudonyms for reasons of confidentiality and those marked with a '*' completed the pre-interview tracker. Due to the inclusion of multiple household members in the face-to-face interviews, the eventual sample comprised 103 participants from 60 households. Tables 11 to 15 (on pages 92 and 93) show a breakdown of the sample in respect of household group (as defined in Table 8), socioeconomic status, location, sports and broadband subscriptions. In Table 16 (page 93) the gender mix of all 103 participants is presented along with a breakdown of those participants completing the pre-interview real-time experience tracker.

Table 10: Phase 1 Research Participants

Interview	Face-to-Face / Telephone	Participant	Gender	Age	Household Group	Sports?	BB? ⁸	SES ⁹	Location
1	F2F	Ken*	M	54	D	Y	N	B	London
		Mark (son)	M	16					
		Dean (son)	M	16					
2	F2F	Dermot*	M	50	B	N	Y	C1	London
		John (son)	M	20					
3	F2F	Claire*	F	53	B	N	N	A	London
4	F2F	Sharon*	F	55	B	N	Y	B	London
		Paul (husband)	M	55					
5	F2F	Doreen*	F	47	C	N	N	B	London
		Kenneth (husband)	M	48					
		Anna (daughter)	F	13					
		Chris (son)	M	11					
6	F2F	Shaun*	M	22	C	Y	Y	C1	London
		Stewart (brother)	M	28					
		Ellen (mother)	F	55					
7	F2F	Hugh*	M	37	C	Y	N	B	London
8	F2F	Kate*	F	33	A	N	Y	B	London
		Fred (husband)	M	37					
9	F2F	Vivian*	F	53	B	N	Y	C1	London
		Bpb (husband)	M	57					
10	F2F	Harry*	M	32	E	Y	Y	B	London
		Jemma (housemate)	F	30					
11	F2F	Rita*	F	50	D	N	N	B	London
		Andy (son)	M	16					
12	F2F	Julie*	F	31	C	Y	Y	C1	London
		Andrew (husband)	M	35					
13	F2F	Pete*	M	28	A	Y	Y	B	London
		Joanne (wife)	F	27					
14	F2F	Neil*	M	49	B	Y	Y	B	London
15	F2F	Loretta*	F	31	E	N	Y	C1	London
		Joseph (housemate)	M	27					

⁸ BB: Broadband

⁹ SES: Socioeconomic Status

Table 10 Continued: Phase 1 Research Participants

Interview	Face-to-Face / Telephone	Participant	Gender	Age	Household Group	Sports?	BB?	SES	Location
16	F2F	Trina*	F	48	C	N	Y	C2	W. Mids
		Malcolm (husband)	M	48					
		Ella (daughter)	F	12					
		Alan (son)	M	8					
17	F2F	Lorraine*	F	26	A	Y	Y	D	W. Mids
		Luke (husband)	M	28					
18	F2F	Stefan*	M	40	D	N	Y	B	W. Mids
		Liz (wife)	F	39					
		Brendan (son)	M	14					
		Artie (son)	M	11					
19	F2F	Trevor*	M	29	E	N	N	C1	London
		Tom (housemate)	M	23					
20	F2F	Alicia*	F	41	C	Y	Y	B	W. Mids
		Rob (husband)	M	41					
21	F2F	Zak*	M	29	A	N	Y	C2	W. Mids
		Rowan (wife)	F	28					
22	F2F	Ronald*	M	52	B	N	Y	C2	W. Mids
		Patsy (wife)	F	48					
23	F2F	Patrick*	M	23	E	N	Y	D	Nth West
		Alana (housemate)	F	20					
24	F2F	Margot*	F	45	D	Y	Y	D	Nth West
		Bill (husband)	M	45					
		Norma (daughter)	F	15					
		Walter (son)	M	13					
		Oliver (son)	M	12					
25	F2F	Katrina*	F	47	C	N	N	C2	Nth West
		Martin (husband)	M	50					
		Belinda (daughter)	F	13					
		Craig (son)	M	8					
26	F2F	Lorna*	F	28	E	N	N	C1	London
		Cameron (housemate)	M	27					
		Gary (housemate)	M	29					

Table 10 Continued: Phase 1 Research Participants

Interview	Face-to-Face / Telephone	Participant	Gender	Age	Household Group	Sports?	BB?	SES	Location
27	F2F	Jackie*	F	46	D	Y	N	C2	Nth West
		Roy (husband)	M	45					
		Tim (son)	M	17					
28	F2F	Richard*	M	32	A	N	Y	C1	Nth West
		Sara (wife)	F	29					
29	F2F	Jamie*	M	43	D	N	N	B	W. Mids
		Donna (wife)	F	41					
		Lucy (daughter)	F	15					
30	F2F	Nick*	M	34	A	Y	Y	B	Nth West
		Holly (wife)	F	31					
31	Tel	Ewen*	M	30	A	N	N	A	London
32	Tel	Fiona*	F	27	A	N	N	B	London
33	Tel	Roger*	M	42	D	Y	N	A	London
34	Tel	Bruce*	M	46	D	N	Y	B	E. Mids
35	Tel	Barry*	M	32	E	Y	Y	C1	London
36	Tel	Gaby*	F	38	C	N	N	C1	Nth West
37	Tel	Rajiv*	M	27	E	Y	Y	C1	E. Mids
38	Tel	William*	M	52	B	N	Y	A	E. Mids
39	Tel	Colin*	M	44	B	Y	Y	E	London
40	Tel	Henry*	M	44	C	N	N	C1	London
41	Tel	Wilbur*	M	43	D	Y	Y	D	E. Mids
42	Tel	Neville*	M	50	D	Y	N	C1	E. Mids
43	Tel	Boris*	M	28	A	Y	N	B	London
44	Tel	Nicola*	F	29	A	N	Y	C1	London
45	Tel	Hector*	M	41	D	Y	Y	E	Nth West
46	Tel	Wesley*	M	25	E	Y	N	B	London
47	Tel	Marilyn*	F	53	B	Y	N	C1	London
48	Tel	Dale*	M	54	B	N	N	C1	Nth West
49	Tel	Greta*	F	54	B	N	N	C1	W. Mids
50	Tel	Lewis*	M	34	A	N	Y	C1	London
51	Tel	Jeremy*	M	27	E	Y	Y	C1	London
52	Tel	Suzanne*	F	55	B	Y	N	D	Nth West
53	Tel	Clarissa*	F	26	A	Y	Y	B	London
54	Tel	Katherine*	F	28	C	Y	N	B	E. Mids
55	Tel	Misha*	F	29	C	N	Y	B	Nth East
56	Tel	Natalie*	F	40	C	Y	N	D	Nth West
57	Tel	Keeley*	F	28	A	Y	Y	C1	London
58	Tel	Kris*	M	45	D	N	Y	B	W. Mids
59	Tel	Kirk*	M	45	C	Y	N	B	W. Mids
60	Tel	Amy*	F	23	E	Y	Y	C1	E. Mids

Table 11: Phase 1 Sample by Household Groups

Household Group	No. Households
A	13
B	12
C	13
D	12
E	10
Total	60

Table 12: Phase 1 Sample by Household Socioeconomic Status

Socioeconomic Status	No. Households
A	4
B	22
C1	21
C2	5
D	6
E	2
Total	60

Table 13: Phase 1 Sample by Household Location

Location	No. Households
London	31
Nth West	11
Nth East	1
W. Midlands	10
E. Midlands	7
Total	60

Table 14: Phase 1 Sample by Household Sports Subscriptions

Sports	No. Households
Y	30
N	30
Total	60

Table 15: Phase 1 Sample by Household Broadband Subscription

Broadband	No. Households
Y	35
N	25
Total	60

Table 16: Phase 1 Sample by Participant Gender

Gender	No. Interviewees	Tracker Participants
M	61	33
F	42	27
Total	103	60

As Table 11 highlights, an approximately equal distribution of household groups was present within the sample. The objective described in Table 8 of recruiting a sample that represents the core STV customer base while enabling the capture of varying customer experiences and outcomes was therefore achieved. Tables 12 and 13 highlight a mix of socioeconomic status and geographical location. There is a bias within the sample towards the upper end of the socioeconomic spectrum (a predominance of B's and C1's) and a majority of London-based respondents. However, these features of the sample are unlikely to result in excessive bias within the research findings as, due to the flexibility and diversity of the customer proposition, STV customer experiences, outcomes and associated perceptions of value seem unlikely to be influenced by socioeconomic status. Similarly, the nationwide availability of STV offerings results in limited potential for geographical influences on consumer perceptions of value. As Table 14 shows however, the proportion of sports channel subscribers exceeded that specified within the recruitment criteria, introducing a potential source of bias in the form of sports-dominated interactions and outcomes. This is considered further within the discussion of limitations (Section 12.2.2). The proportion of STV company broadband subscribers highlighted in Table 15 was within the requirements of the study. The gender profile of the total sample (Table 16) shows a larger proportion of

male consumers than female. This is offset, however, to some extent by the roughly equal split of men and women tracker respondents, from whom the greatest depth of insight was gathered. Overall therefore, the sample recruited for phase 1 of this investigation was appropriate and did not present any risks of excessive bias.

9.4.3 Qualitative Data Collection

The face-to-face and telephone interviews differed in their average duration, with the former lasting just under 64 minutes (63 minutes and 44 seconds) and the latter approximately 52 minutes (51 minutes and 55 seconds). Digital voice recording equipment was used to capture the discussions and each interview was professionally transcribed by an external agency.

9.4.4 Qualitative Data Analysis & Interpretation

As Johnson and Harris (2002) note, in contrast with the treatment of quantitative research output, the analysis and interpretation of qualitative data lacks standardisation across studies. That is, qualitative data analysis is typically tailored to the investigation, reflecting the research objectives and data under examination. Accordingly, the processes of analysis and interpretation adopted within this study were designed to enable the addressing of research sub-question 1a: the customer experience gives rise to the recognition by the customer of the achievement of which outcomes?

Spiggle (1994) differentiates between the processes of analysis and interpretation, describing analysis as a series of operations through which data is reduced, manipulated or sorted. Interpretation, in contrast, involves making sense of data, deriving meaning from participant responses. For reasons of methodological rigour this distinction was reflected within this investigation, with due consideration given to the processes of analysis and interpretation. An initial process of data analysis was carried out, combining thematic analysis

(Johnson and Harris, 2002), categorisation (Spiggle, 1994), coding (Miles and Huberman 1984; Spiggle, 1994) and template analysis (King, 2004b) to enable the extraction of relevant insights from the interview data. A subsequent process of interpretation then took place, involving sense-making by the author (Spiggle, 1994) of the meanings to the respondents of the outcomes described during interviews. Sections 9.4.4.1 and 9.4.4.2 describe the processes of analysis and interpretation.

9.4.4.1 Qualitative Data Analysis

The first stage of the analysis process involved a review of transcript content, during which interview transcripts were reviewed individually and passages of text were identified as relating to a specific theme: outcomes (positive or negative) from STV customer experience. This thematic analysis of content (Johnson and Harris, 2002) enabled the identification of data required to address the relevant research question and was therefore coherent with overall research objectives. Furthermore, this initial stage of analysis facilitated a necessary process of data reduction, whereby the large volume of qualitative data was condensed into a more manageable body of text, with no loss of depth or richness (Baker, 2002; Gummesson, 2005). As described in Section 9.4.1, the transcripts included sections of narrative derived from the discussion of text messages submitted during the real-time experience tracker exercise, thus enabling the inclusion and analysis of output from this pre-interview task.

Following Spiggle (1994), passages of text describing outcomes of a similar nature were then clustered to produce an initial categorisation of data. This categorisation was developed inductively as the categories emerged from the data, rather than being developed a priori (Spiggle, 1994), avoiding any bias that may have arisen from the adoption of preconceived outcomes. Each category was subsequently coded (Miles and Huberman, 1994; Spiggle, 1994). That is, a label was attached to each body of text that reflected the inferred meaning of the outcome to the respondent. To illustrate this initial process of

analysis, the following two sections of text were identified as describing outcomes from STV customer experiences:

Passage 1: *“After we’ve gotten everything out of the way, like everything we want to do throughout the day, so like come back and relax, we all go to the shops and then come back and watch a film, or something, just to unwind”* (Dean, Interview 1)

Passage 2: *“If anything happens to the box everything you have on it is gone. So you have to be wary of that. That’s happened once. It wasn’t pleasant.”* (Colin, Interview 39)

Passage 1, along with other passages of text within this category, was coded as ‘relax’ due the reference within the text to unwinding as an outcome of STV consumption. The label ‘unreliable’ was attached to passage 2, in reflection of the respondent’s response to their customer experience.

After 12 transcripts (six from face-to-face interviews and six from telephone discussions) had been reviewed in this manner, totalling around 136 thousand words and 450 pages, saturation had effectively been reached, as no new codes were emerging from the data. A process of template analysis (King, 2004b) was subsequently undertaken, whereby the remaining 48 transcripts were reviewed, again individually, and chunks of text allocated to the codes identified from the 12 transcripts initially reviewed. This process was supported by the use of the software package NVivo (version 9), which served as a means of storing sections of text within codes. The initial list of codes was revised during this stage of analysis, for instance, where a section of text was identified as relating to an outcome of a nature not captured by the existing coding template. In this situation a new code was added.

The template analysis approach was applied to this investigation as it enables the analysis of a large volume of data and is typically less time-consuming than alternatives such as grounded theory or interpretive phenomenological analysis (King, 2004b). In addition, and despite this shorter process of analysis, the

approach offers sufficient inductive power to generate findings that are truly emergent from the data (King, 2004b).

9.4.4.2 Qualitative Data Interpretation

Having reviewed all 60 transcripts and coded the relevant sections of text, a process of interpretation was carried out. Due to the relatively large sample recruited for this investigation, a rich volume of text was available within each code, facilitating the process of sense-making by the researcher (Spiggle, 1994) of the meaning of each outcome to the respondents. A series of 16 value dimensions were subsequently defined (one from each code), and are presented and described in detail in Section 10.1.

To illustrate this process of interpretation, a series of quotes allocated to the codes 'relax' and 'unreliable' are presented below.

'Relax': *"After we've gotten everything out of the way, like everything we want to do throughout the day, so like come back and relax, we all go to the shops and then come back and watch a film, or something, just to unwind"* (Dean, Interview 1)

"I cycle to work so I need time to cool down and have a shower. I allow myself to calm and cool down, settle back to the point I can go back to sleep, so I would have sat down and watched a movie." (Hugh, Interview 7)

"Well say late afternoon when I come home from work it will be on because my husband's home. I will very often sit down just to relax having got in from work and it doesn't really matter to me what's on" (Greta, Interview 49)

'Unreliable': *"If anything happens to the box everything you have on it is gone. So you have to be wary of that. That's happened once. It wasn't pleasant."* (Colin, Interview 39)

“When we last went on holiday, and we didn’t realise... we didn’t even think about it, and then it [hard drive] wipes off... We had a couple of films saved, and the films are the first thing that goes, aren’t they, or that it goes back and knocks off the oldest. So if you overrun your 100% it knocks the oldest one off.”

(Sharon, Interview 4)

“We have a bit of a problem with the TV: in bad weather the signal cracks up” (William, Interview 38)

A review of the quotations coded as ‘relax’ highlights a shared description of enhanced relaxation as a positive outcome of STV consumption. As the conceptual framework in Figure 4 indicates, customer value is described within this study as *the extent to which an individual perceives the outcomes arising from customer experience as positive and personally beneficial*. It can therefore be inferred that the positive outcome of relaxation contributes to Dean, Hugh and Greta’s overall perceptions of the value arising from their STV customer experiences. That is, a relaxation value dimension exists within their overall value perceptions, which, in these situations, enhances the value perceived. The relaxation value dimension was thus derived from the data and defined as *the extent to which a customer experience facilitates the process of unwinding and reducing tension*. This dimension is discussed in further detail in Section 10.1.3.1.

The excerpts coded as ‘unreliable’ all refer to a negative outcome from STV customer experience. Specifically, Colin, Sharon and William highlight their acceptance of the potential for poor STV service functionality, the outcome of which is reduced confidence in the future performance of their STV package. Referring again to the definition of value within Figure 4, it can be inferred that the negative outcome of this reduced assurance regarding STV performance therefore contributes to overall value perceptions. In these instances, however, as the outcome described by the respondents is not positive or personally beneficial, Colin, Sharon and William will perceive reduced overall value. An assured performance value dimension is thus derived as contributing to overall

value perceptions, and is defined as *the extent to which an experience enables a consumer to feel that a product will perform as desired*. This dimension is discussed in further detail in Section 10.1.3.4.

While the applied process of interpretation enabled the derivation of insights required for the addressing of research sub-question 1a, it also presented a risk of researcher-induced bias. Deriving meaning from the accounts of respondents is a subjective process, with interpretation influenced by personal values, norms and experiences (Spiggle, 1994), all of which may ultimately distort and reduce the quality of the insights derived. This potential limitation is addressed, however, through a process of external coding checks, described in Section 9.4.5.2.

9.4.5 Phase 1 Research Design Validity

Easterby-Smith et al. (2008) describe validity as assessed according to internal and external criteria. Internal validity refers to the soundness of the inferences derived from the data. Are they valid? Or, has some form of bias occurred that results in claims to knowledge that do not accurately reflect the data? (Drucker-Godard et al., 2001) External validity refers to the extent to which the findings from an investigation can be generalised to other contexts (Easterby-Smith et al., 2008). Sections 9.4.5.1 and 9.4.5.2 discuss the steps undertaken within this study to ensure sufficient levels of internal and external validity within the findings from phase 1 of this investigation.

9.4.5.1 Internal Validity

As Section 9.3 describes, the research methods applied to qualitative data collection were designed to ensure that the data captured would support the achievement of research aims, through the generation of data required to address the relevant research question. Furthermore, the adoption of a standardised interview protocol (Appendix A) ensured sufficient consistency of questioning and data collection across all sixty interviews, avoiding any bias

within the data itself that might result in flawed conclusions. As described in Section 9.4.4.2 however, the process of interpretation presented a risk of interpretive bias from research subjectivity when drawing inferences regarding respondent meaning (Spiggle, 1994). This was addressed via the undertaking of external coder checks, which sought to ensure no excessive bias within the value dimensions ultimately derived from the data.

A review of qualitative investigations published in four-star marketing journals since 1990 identified a variety of approaches to assessing validity via external coding checks. These can be loosely categorised as: 'no checks' (e.g. Adkins and Ozanne, 2005; Burroughs et al., 2011; Chernev & Gal, 2010); 'discussion-based checks', whereby external coders independently analyse a portion of the data and discuss their interpretation with the lead researcher, negotiating any areas of disagreement until a consensus is reached (e.g. Dahl and Moreau, 2007; Humphreys, 2010); and 'coefficient-based checks', in which researchers calculate the level of agreement between coders in the form of a statistic (e.g. Batra et al., 2012; Tuli et al., 2007). Due to this lack of consistency within previous high quality studies and the subsequent absence of clear guidelines for the establishment of internal validity via external coder checks, a three-step process was adopted within this investigation that combined both discussion-based and coefficient-based approaches. The aim of such a 'belt and braces' approach was to provide maximum assurance of the internal validity of the findings and confirm the absence of bias due to subjective interpretation.

Following the procedure adopted by Dahl and Moreau (2007) and Humphreys (2010), in the first stage of the process two external coders (fellow marketing scholars, not previously involved in the investigation) were asked to review a single interview transcript. They were supplied with the definition of value adopted within this study and were instructed to identify areas of text within the transcript in which respondents were describing outcomes (positive or negative) from their STV customer experiences. The external coders were asked to then allocate a name or description to the associated value dimension. To support this latter element of the process, a worked example of the process of

interpretation was provided. The briefing document is presented in Appendix C. Meetings were then held with each of the external coders to discuss their observations. During these sessions a page-by-page review of the transcript was carried out, firstly to determine those areas of text identified by the external coder as referring to an outcome from STV customer experience, and secondly to determine the value dimension interpreted in each case. As Table 17 (below) shows, some initial discrepancies were observed regarding the identification of text pertaining to outcomes. This was resolved through discussion, resulting in 55 and 56 agreed-upon excerpts, from which external coders 1 and 2 then interpreted value dimensions, respectively.

Table 17: External Coder Checks – Quotes Identified

	Coder 1	Coder 2
Sections of text highlighted by author, but not by coder	21	25
Sections of text highlighted by coder, but not by author	14	15
Sections of text highlighted by both author and coder	20	16
Total sections of text highlighted	55	56

Each highlighted area of text was discussed to determine the coders' interpretations of the value dimension reflected by each outcome and whether they concurred with the interpretation of the author. The output is shown in Tables 18 to 20, overleaf. Primary agreement arose where similar interpretations were derived independently, with no requirement for in-depth discussion. Secondary agreement occurred where an agreed-upon value dimension was derived through discussion. No agreement signifies 'agreeing to disagree'.

Table 18: Coder 1 – Agreement of Interpretation

Coder 1	Primary Agreement	Secondary Agreement	No Agreement
Quotes highlighted by author, but not by coder	N/A	20/21	1/21
Quotes highlighted by coder, but not by author	N/A	13/14	1/14
Quotes highlighted by both author and coder	14/20	5/20	1/20
Total	14	38	3

Table 19: Coder 2 – Agreement of Interpretation

Coder 2	Primary Agreement	Secondary Agreement	No Agreement
Quotes highlighted by author, but not by coder	N/A	14/15	1/15
Quotes highlighted by coder, but not by author	N/A	24/25	1/25
Quotes highlighted by both author and coder	11/16	5/16	-
Total	11	43	2

Table 20: Coder 1 and 2 Agreement Indices

	Coder 1	Coder 2
Initial agreement (identification of text and primary agreement re interpretation)	14/55 (25%)	11/56 (19.7%)
Negotiated agreement (following discussion and secondary agreement)	52/55 (94.5%)	54/56 (96.4%)

As Table 20 highlights, a very high level of agreement was reached between the researcher and both external coders. This was a predominantly negotiated position however, due to the relatively low proportion of quotations for which primary agreement was reached. The assurances of internal validity arising from this stage of the inter-coder checking process were therefore tentative at best.

This stage resulted in the inclusion of two value dimensions not previously identified by the author:

- Therapeutic value, defined as *the extent to which an outcome aids recuperation.*
- Novelty value, defined as *the extent to which an outcome is perceived as positive due to its newness.*

These two value dimensions were incorporated into the second stage of external coding checks.

Stage 2 of the process mirrored the approach adopted by Lemke et al. (2011) and Goffin and Koners (2011). Four further independent coders (also fellow marketing scholars, not previously involved in the research) were supplied with 118 quotes and were asked to allocate them to one of the 20 different value dimensions, derived from the data and initially ratified via the initial external coding check. The quotes were drawn from a large variety of interview transcripts, ensuring maximum representation of the data set. The appropriate definition of value was provided along with individual definitions for each dimension, including the newly developed novelty and therapeutic values. The briefing documentation applicable to this stage of the process is presented in Appendix C. The proportion of codes correctly allocated (that is, allocated by the external coder to the same value dimension as the author) was then calculated and an overall agreement statistic produced. Table 21 (below) presents the outcome of this process.

Table 21: Stage 2 External Coder Checks – Proportion of Agreement

Coder	Agreement	%
3	72/118	61%
4	59/118	50%
5	72/118	61%
6	87/118	74%
Total	290/472	61%

Rust and Cooil (1994) highlight a potential limitation of this approach in that no consideration of chance agreement is incorporated within the calculation. Consequently, the level of agreement may be overstated. Rust and Cooil (1994) propose an alternative *proportional reduction in loss* approach to validity assessment, that overcomes this particular concern and has previously been employed within high quality, qualitative investigations (e.g. Batra et al., 2012, Tuli et al., 2007). Unfortunately the presence of twenty categories within this external coding exercise precluded the use of proportional reduction in loss techniques, as the tables necessary for its deployment (Rust and Cooil, 1994) limit the maximum number of categories to 5.

As Table 21 highlights, an overall agreement statistic of 61% arose from this second stage of inter-coder checks. This was felt to be too low to confirm internal validity, as it was below the 70% 'rule of thumb' threshold propounded by Nunnally (1978) and generally adopted within exploratory investigations of this nature (Lemke et al. 2011). A review of coder 3 - 6's responses to this task highlighted a number of dimensions for which the proportion of correctly allocated quotes was particularly low. These were examined in detail and a number of changes were subsequently made:

- Only 16.7% of quotations were correctly allocated to a dimension entitled lifestyle support value. The results of the external coding exercise presented no clear pattern of alternative allocation. Rather, quotes felt by the author to reflect lifestyle support value were allocated to a range of other dimensions. Following a review of the data and dimension definitions it was determined that the lifestyle support dimension was in all likelihood a more abstract combination of other, more discrete forms of value perception, such as control (described in Section 10.1.6.1), entertainment (described in Section 10.1.9.1) and reduced expenditure (described in Section 10.1.3.6). It was subsequently dropped from the emerging value model.
- 29.2% of quotations were correctly allocated to a dimension described as entertainment protection value. It transpired from a review of their

responses that the external coders felt the quotes more accurately reflected the control value dimension. On balance it was felt that insufficient difference existed between the two dimensions and that entertainment protection might represent a precursor to the more comprehensive dimension of control value. The entertainment protection value dimension was subsequently excluded.

- A low level of agreement (25%) was observed in relation to the therapeutic value dimension, derived from the previous stage of inter-coder checks. Codes were predominantly allocated to the companionship value dimension, though external coders also felt that the text reflected stimulation (described in Section 10.1.9.2), entertainment and comfort value (described in Sections 10.1.9.1 and 10.1.3.2). The therapeutic value dimension was subsequently removed from the analysis process, as it was decided that many diverse perceptions of value might be therapeutic in nature. A discrete therapeutic value dimension was therefore felt to be unnecessary.
- The assured performance value dimension also reported a low level of agreement (25%) with quotes incorrectly allocated to the ease of use dimension (described in Section 10.1.3.5) on the majority of occasions. A review of the definitions of both dimensions revealed a weakness within that pertaining to assured performance, in the form of an erroneous similarity to that of ease of use value. The definition was therefore amended and the dimension retained within the model.
- Finally, a review of literature pertaining to novelty seeking behaviour identified it as a means of achieving cognitive and emotional stimulation. A stimulation value dimension was already present within the model, with a definition that encompassed all instances of stimulation, extending the scope beyond that arising from novelty. Due to the clear overlap between these two dimensions, the low level of agreement in relation to novelty value and the broader definition of stimulation value, the decision was made to drop novelty value from the findings.

In stage three of the inter-coder checks a further five external coders (fellow PhD candidates with no prior involvement in the research) were asked to review a reduced set of 80 quotes and allocate them to the 16 remaining value dimensions. Again the proportion of agreement was calculated, as illustrated in Table 22, below.

Table 22: Stage 3 External Coder Checks – Proportion of Agreement

Coder	Agreement	%
7	67/80	84%
8	63/80	79%
9	56/80	70%
10	50/80	63%
11	51/80	64%
Total	287/400	72%

As Table 22 highlights, a level of agreement was achieved that exceeds the desired 70% threshold and it was therefore concluded that the reduced set of value dimensions presented findings of sufficient internal validity. The risk of chance agreement having inflated the agreement statistic remains, but similarly the difficulties associated with the task (a large volume of quotes and high number of potential categories) may have served to reduce the level of agreement. As such it was felt that the 72% agreement rate provided an acceptable level of confidence in the internal validity of the findings.

9.4.5.2 External Validity

As previous noted, external validity refers to the generalizability of the findings and conclusions derived from an investigation (Easterby-Smith et al., 2008). Within this investigation, the sample recruited ensures generalizability within the context of STV consumption. That is, it seems feasible that the findings derived from this study would apply to STV consumers not involved in the research process. Specifically, the recruitment of respondents representing a broad

cross-section of household types, socio-economic status, geographical location and subscription types ensures findings are derived from a representative sample of the STV consumer base. Although participants were subscribers to the same STV company, due to the limited number of competitors and similarity of core customer propositions currently available, it seems unlikely that the nature of value perceived will vary dramatically between customers of differing providers.

To produce findings pertaining to customer perceptions of value that are generalisable beyond the context of enquiry is more problematic, as customer value is acknowledged to be highly context specific in nature (Vargo and Lusch, 2008). It seems likely, due to the conceptualisation within this study of value as arising (albeit indirectly) from the achievement of personal goals, and the rigour with which data analysis and interpretation were undertaken, that the value dimensions derived might reasonably be perceived by consumers as arising within the broader context of mobile interactive entertainment (as discussed in Section 9.1). It seems more prudent to suggest however, that the model of value derived within this study represents a valid foundation for future exploratory work within alternative contexts, rather than a typology of dimensions appropriate for generic application to value investigation and measurement.

9.5 Quantitative Methodology

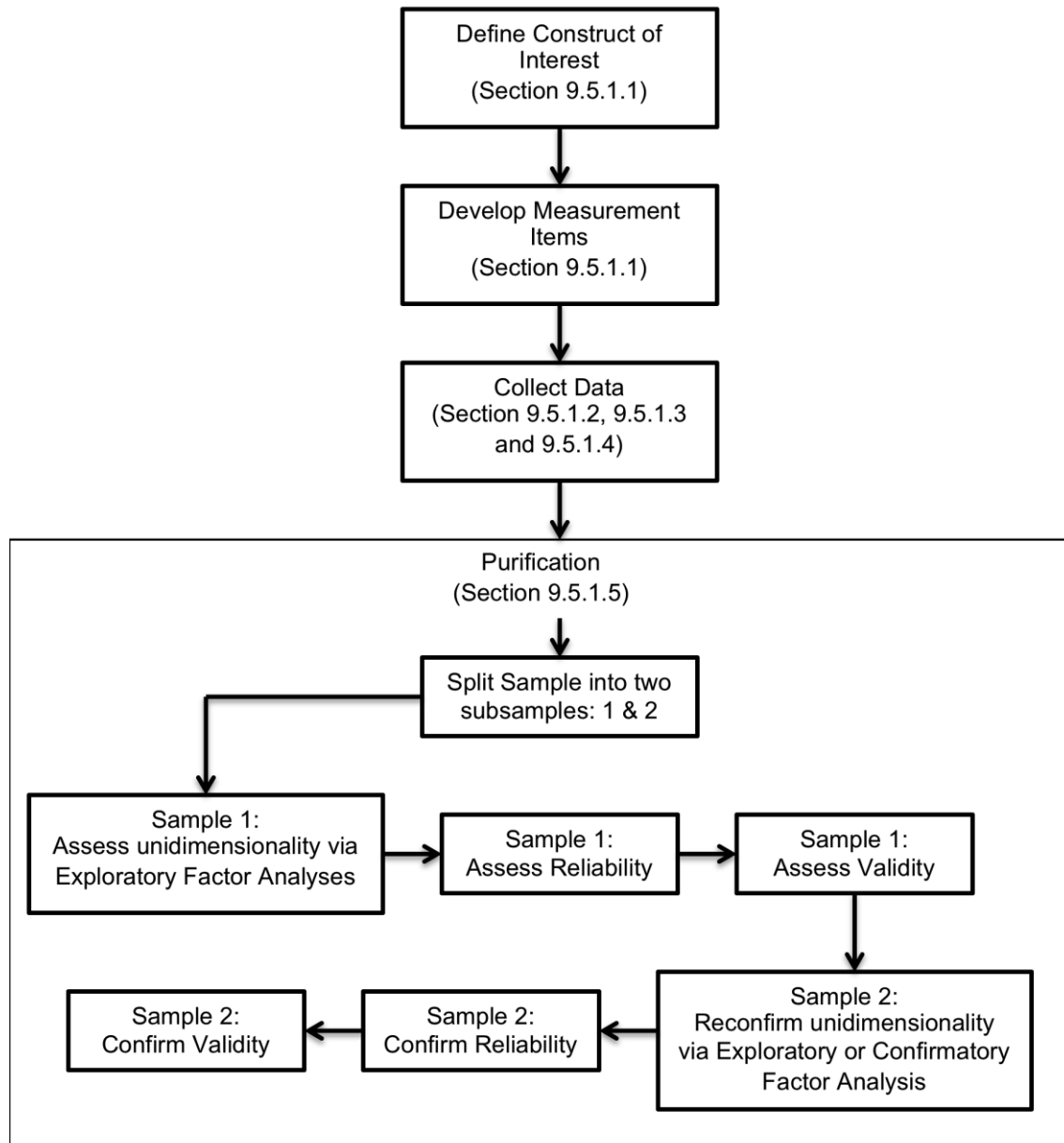
As discussed in Chapter 7, value is conceptualised within this study as a second-order construct, to be measured formatively as the combination of a series of reflectively measured, first-order value dimensions. Accordingly, the addressing of Research Question 2 (Table 6) and the development of a tool with which to measure customer perceptions of value entails the initial development of a series of multi-item, parsimonious scales with to measure the value dimensions derived from phase 1 of this investigation, thereby addressing sub-research question 2a, and the subsequent production of a customer value index in accordance with sub-question 2b. As Section 9.2.1.4 describes, the

development of reflective and formative measures necessitates the application of two discrete methodological approaches. The scale and index development techniques applied within this investigation are summarised in Figure 7 (steps 3 and 4). Sections 9.5.1 and 9.5.2 detail the methodology employed within each of these steps in greater detail.

9.5.1 Dimension Scale Development

The approach applied within this study to the development of value dimension scales was synthesised from established guidelines for scale development (Churchill, 1979; Gerbing and Anderson, 1988; Hair et al., 2006; Rossiter, 2002). The process is illustrated in Figure 8 (overleaf), with the subsequent section in which further detail is provided duly highlighted.

Figure 8: Process Employed in Dimension Scale Development



9.5.1.1 Defining the Constructs of Interest and Developing Measurement Items

Churchill (1979) describes construct definition within scale development as a process of identifying what should and should not be measured by the resulting tool. A clear and precise construct definition is also vital for the subsequent development of appropriate measurement items (Hair et al., 2006; Rossiter, 2002). Within this investigation, phase 1 produced a series of 16 value dimensions, the existence and definitions of which were ratified by a process of external coding (Section 9.4.5.1). The constructs to be measured were therefore deemed to be sufficiently well defined and this initial stage of the scale development process subsequently focussed on the development of measurement items.

A series of Likert scale items were produced in the form of statements with which respondents were required to indicate the extent to which they agreed. Statement wording was derived, where possible, from the interview transcripts produced in phase 1 of this study. The rationale for this approach was that by replicating the language used by qualitative respondents when describing their perceptions of value within scale items, the survey would enable respondents to access these perceptions when completing the questionnaire, resulting in accurate measurement. In addition, existing scales designed to measure constructs of a similar nature to the derived value dimensions were reviewed and measurement items subsequently adapted for inclusion within this investigation. For example, two of the items designed to measure the self-esteem value dimension were adapted from Rosenberg's (1965) self-esteem scale. The use of items from existing measures offered the benefit of established reliability and validity, although this was subsequently re-assessed during the process of analysis (as described in Section 9.5.1.5). Further dimension scale items were derived creatively by the author.

Following Hair et al. (2006), the face validity of the resulting items was then assessed. Face validity is the degree to which an item is intuitively felt to reflect a specific phenomenon (McDaniel and Gates, 1996). A panel of three

marketing academics, not involved in the process of item development, reviewed the measurement items. Panel members were supplied with a brief description of the context of interest (STV), definitions of the value dimensions derived from the phase 1 of the investigation and the items designed to measure each dimension. They were requested to review the items and provide feedback regarding the extent to which they felt the draft questions accurately reflected the dimensions they were designed to measure. Panel members were also requested to identify any practical considerations (Hair et al., 2006), such as any items that were confusing or may have resulted in respondents experiencing difficulties in completing the questionnaire. The panel members reviewed 172 items. Of these, 140 were designed to measure individual value dimensions, a further four related to an overall measure of value (required for customer value index evaluation via PLS-SEM – see Figure 10 on page 151) and the remaining 28 constituted series of questions from pre-existing measures of non-value concepts, the inclusion of which within the questionnaire was necessary for subsequent validity assessments (see section 9.5.1.5). Subsequent feedback from and discussion with the panel resulted in a number of amendments to the initial set of items: some items were amended for reasons of clarity, a number were excluded and others were added.

9.5.1.2 Dimension Scale Development - Research Instrument

The outcome of the process described in Section 9.5.1.1 was a questionnaire comprising 123 measurement items: 92 measures of dimensions of customer perceived value, four measures of overall value and 27 measures of non-value constructs. The questionnaire comprised a mix of positive and negative statements, developed to maintain the interest and attention of the respondent and to prevent excessive acquiescent response bias, a form of potential bias that arises when respondents with acquiescent personalities erroneously agree to statements (Ray, 1983). However, due to the risk of confusion arising from the combination of negative statements and agree/disagree scales (i.e. double negatives) (Rossiter, 2002) a greater number of positive than negative

statements was produced. The 123 items were combined with a series of questions designed to capture respondent information (as discussed in Section 9.5.1.3). The full question set is presented in Appendix D.

As previously noted (Section 9.5.1.1), the measurement of non-value constructs was required for subsequent validity assessment and was achieved via the use of existing scales. Table 23 (below) lists the non-value constructs measured and the source of the measures adopted.

Table 23: Non-Value Constructs

Non-Value Construct	Definition	Source of Scale Incorporated
Customer Satisfaction	"A customer's overall evaluation of the performance of an offering to date" (Gustaffson et al., 2005, p. 210)	Cronin et al. (2000); Gustaffson et al. (2005)
Calculative Commitment	An individual's "rational, economic-based dependence on product benefits, due to a lack of choice or switching costs" (Gustafsson et al., 2005, p. 211)	Gustafsson et al. (2005)
Brand Attachment	The strength of the bond connecting the brand with the self (Park et al., 2010)	Park et al. (2010)
Value for Money	A trade-off between the quality or benefits perceived in a product relative to the sacrifice perceived by paying the price (Monroe, 1990; cited in Woodruff, 1997)	Brady et al. (2005)
Customer Gratitude	The emotional appreciation of benefits received accompanied by a desire to reciprocate (Palmatier et al., 2009)	Palmatier et al. (2009) ¹⁰
Affective Commitment	A customer's emotional commitment to their relationship with a firm (Gustaffson et al., 2005)	Verhoef (2003)
Customer Loyalty	An individual's propensity to remain a customer of a specific firm (Zeithaml et al., 1996)	Zeithaml et al. (1996)
Customer Advocacy	The propensity for an individual to promote a firm via positive word of mouth (Fullerton, 2003)	Zeithaml et al. (1996)
Consumer Trust	A consumer's confidence in a firm's reliability and integrity (adapted from De Wulf et al., 2001)	De Wulf et al. (2001)

¹⁰In line with their definition of customer gratitude, Palmatier et al. (2009) developed separate measures of customer feelings of gratitude and gratitude-based reciprocal behaviour. For the purpose of this investigation, only those items pertaining to customer feelings of gratitude were incorporated.

Specifically, the measures in Table 23 were incorporated within the questionnaire to enable the assessment of discriminant and nomological validity. Discriminant validity arises when a scale is found not to measure concepts which are similar yet distinctly different to the phenomenon of interest (McDaniel and Gates, 1996). That is, the measurement output from scales designed to measure related yet different concepts should exhibit low levels of correlation (Hair et al., 2006). Of the non-value constructs within Table 23, the following were included to enable discriminant validity assessment:

- **Customer Satisfaction:** The definition of customer satisfaction adopted within this investigation (Table 23) refers to *cumulative satisfaction* rather than *transaction-specific satisfaction*, where the former is concerned with an overall evaluation by the customer of their holistic consumption experience and the latter focuses on the evaluation of a specific interaction (Johnson et al., 1995). Cumulative satisfaction was deemed to be more appropriate for inclusion than transaction-specific satisfaction as the holistic nature of the former is similar to that of customer value, as defined within this study. Despite this similarity, the focus on firm performance within the definition of customer satisfaction and items applied to its measurement (Appendix D) renders the customer satisfaction construct distinctly different to customer value. As a result it is appropriate for use in discriminant validity assessment.
- **Calculative Commitment:** The definition of calculative commitment and the relevant measurement items (Appendix D) capture customers' commitment to relationships that arises due to the financial implications of switching. That is, calculative commitment arises when customers perceive their current relationship with a firm to be the most financially viable option. It is, to some extent, driven by the competitive landscape within the given market and is therefore distinctly different in nature to customer value, which arises from the perception of outcomes from customer experience. As a potential perceived benefit from a customer-firm relationship, however, calculative commitment is suitably similar in nature to customer value to enable discriminant validity assessment.

- **Brand Attachment:** The concept of brand attachment is similar to that of customer value in its long-term, relational orientation. That is, both concepts describe a customer-perceived phenomenon that develops over the course of a customer's relationship with a firm. However, while the conceptualisation of value within this investigation focuses on perceived outcomes from the holistic customer experience, brand attachment as measured within this study (Appendix D) captures only the perceived connection between a consumer's identity and the brand. As such, it represents a concept that is related, yet distinctly different to customer value.
- **Value for Money:** Value for money as described in Table 23 and measured within this investigation (Appendix D) represents a partial conceptualisation of customer value as defined in Figure 4, focussing solely on product quality or usage benefits and monetary sacrifices as the source of value perception, rather than the holistic customer experience. Consequently, this construct is similar to overall value, yet suitably different to allow for discriminant validity assessment.
- **Customer Gratitude:** As an emotional response to benefits received (Palmatier et al., 2009) customer gratitude is similar in nature to value perceived as arising from positive outcomes of customer experience. However, the definition of value within this investigation is more holistic, allowing for both cognitively and affectively oriented perceptions. The conceptual overlap between customer value and customer gratitude is therefore sufficiently limited, so as to allow for the use of the latter in assessing discriminant validity.

Nomological validity refers to the extent to which a measurement tool correlates with measures of related concepts in a way that is consistent with theory (McDaniel and Gates, 1996). That is, where value is predicted to influence other phenomena, measures of constructs should correlate as anticipated (Hair

et al., 2006). Of the non-value constructs in Table 23, the following were included to enable nomological validity assessment:

- **Affective Commitment:** An empirically identified precursor of customer retention (Verhoef, 2003), affective commitment refers to the psychological attachment perceived by a customer to a specific provider. Customers with high affective commitment “believe they are connected to the firm” (Verhoef, 2003, p. 33). It is, in essence, a measure of the strength of the relationship, as perceived by the customer. Logically, affective commitment may arise from high perceptions of value. As such, it was incorporated within the questionnaire in order to assess levels of nomological validity.
- **Customer Loyalty:** Customer loyalty has been empirically identified as an outcome of customer perceptions of value (Brady et al., 2005). As such it represents an appropriate construct for use in the assessment of nomological validity.
- **Customer Advocacy:** Like customer loyalty, customer advocacy has been empirically identified as increasing with enhanced perceptions of value (Brady et al., 2005). It therefore also presents a suitable means of nomological validity assessment.
- **Consumer Trust:** De Wulf et al. (2001) identify consumer trust as a positive outcome of a customer’s relationship with a firm. It follows that STV consumers who perceive value during the course of an extended relationship may develop a sense of trust in their chosen provider and their ability to continue facilitating these perceptions of value. Consequently, consumer trust represents a further means of nomological validity assessment.

For reasons of questionnaire length, the scales designed to measure customer gratitude and consumer trust were excluded from the scale development process. They were, however, incorporated in the instrument applied to the index development stage of the study, following the process of scale purification

(Section 9.5.1.5) and subsequent reduction in the number of items measuring customer value dimensions and overall value perceptions.

Each measurement item within the questionnaire was presented in the form of a seven-point Likert scale. For example, the following item was designed to measure respondent perceptions of entertainment value:

Please show the extent to which you agree with the following statement: My STV service provides me with entertainment

1	2	3	4	5	6	7
Strongly Disagree			Neither Agree nor Disagree			Strongly Agree

The use of Likert scales within the questionnaire reflected the underlying conceptualisation of value, described in Figure 4. To recap, value is defined as *the extent to which an individual perceives the outcomes arising from customer experience as positive and personally beneficial*; the definition allows for both high (via positive outcomes) and low (via negative outcomes) perceptions of value. To accurately measure value therefore requires the use of a tool that enables the capture of this inherent diversity of perception. The use of Likert scales in conjunction with a series of tailored statements enables this.

9.5.1.3 Dimension Scale Development - Research Participants

As in phase 1 (section 9.4.2), a purposive approach to sampling was adopted within phase 2 of this investigation. Respondents were again recruited via an external agency in accordance with criteria, described in Table 24 (overleaf), with a rationale for their adoption. Participants received a payment of £5.

Table 24: Phase 2 Recruitment Criteria and Rationale for Inclusion

Criteria	Details	Rationale
STV Service Holding	All respondents must have access to some kind of multi-channel TV service. Respondents with the very basic (channels 1 to 5 only) television services only were therefore excluded.	This ensured that respondents had STV customer experiences and resulting perceptions of value, upon which to draw when completing the questionnaire.
	Of the 400 respondents, 200 should subscribe to the market leading STV provider (Co.1), 150 must be subscribers of one of the three competitor STV firms (Co.2 – Co.4)	This broadening of the recruitment criteria to include customers of multiple STV providers ensures the resulting sample is representative of the current STV customer base, thereby supporting the development of measurement tools with the potential for industry-wide application.
	Subscribers to Co.1 – Co.4 should have held their subscription for a minimum of 12 months.	As in phase 1, this criterion ensured that the sample consisted of 'mature' STV customers, subsequently avoiding the impact of any 'novelty factor' influences on survey responses.
	The remainder respondents should be users of non-subscription multi-channel TV services (e.g. Freeview – Co.5 and Co.6)	This specification was included as non-subscription services are becoming increasingly sophisticated, diverse and technologically advanced. For example, hard-drive recording facilities are now available from Co5 & 6 without the need for an STV subscription. Consequently, the customer experiences of this portion of the sample are likely to be of a similar nature to those of STV subscribers. Equivalent value perceptions may therefore arise (although to a potentially lesser extent) among these consumers and their responses will thus support the development of a customer value index.
Age	Of the 400 respondents, 50 should be 16 or 17 years of age.	The primary rationale for the inclusion of younger respondents was the sponsoring firms desire to incorporate the views of potential future subscribers within the data. In addition, as with customers of Co5 & 6, it was felt that the customer experiences of these respondents were likely to be many and diverse. In addition, it was felt that people of 16 or 17 years of age were likely to be of sufficient maturity to contemplate the notion of value as arising from their customer experiences and therefore able to accurately complete the questionnaire. As these respondents were under the age of 18, consent was sought from a parent or guardian prior to their involvement

The recruiting agents were instructed to gather a sample of 400 respondents. However, due to the various quota-based requirements described in Table 24, the eventual sample comprised of 430 individuals. The resulting responses were split into two approximately equivalent subsamples (sample 1 and sample 2), to enable the process of analysis described in Section 9.5.1.5. Tables 25 to 30 (below, and on pages 119 and 120) provide a breakdown of the whole sample, sample 1 and sample 2 in respect of respondent TV provider, age, gender, occupation¹¹, location and monthly subscription amount.

Table 25: Dimension Scale Development Sample by Providing Company

TV Provider	Whole Sample	Sample 1	Sample 2
Co.1	209	105	104
Co.2	125	62	63
Co.3	9	5	4
Co.4	3	1	2
Co.5	13	6	7
Co.6	71	36	35
Total	430	215	215

Table 26: Dimension Scale Development Sample by Age

Age	Whole Sample	Sample 1	Sample 2
16-17	56	26	30
18-24	43	21	22
25-34	66	34	32
35-44	72	35	37
45-54	59	30	29
55-59	36	19	17
60-64	41	21	20
65-70	57	29	28
Total	430	215	215

¹¹ The use of occupation rather than socioeconomic status was driven by the standard procedures of the firm supporting the development and issuance of the questionnaire, and a desire to limit the development costs and timescales.

Table 27: Dimension Scale Development Sample by Gender

Gender	Whole Sample	Sample 1	Sample 2
Male	192	97	95
Female	238	118	120
Total	430	215	215

Table 28: Dimension Scale Development Sample by Occupation

Occupation	Whole Sample	Sample 1	Sample 2
Senior Managerial or Professional	18	12	6
Intermediate Managerial, Administrative or Professional	48	26	22
Supervisor; Clerical; Junior Managerial, Administrative or Professional	80	43	37
Manual Worker (with industry qualifications)	25	9	16
Manual Worker (with no industry qualifications)	20	11	9
Unemployed	50	26	24
Retired	77	30	47
Student	112	58	54
Total	430	215	215

Table 29: Dimension Scale Development Sample by Location

Location	Whole Sample	Sample 1	Sample 2
North East England	1	1	0
North West England	49	23	26
Yorkshire and Humberside	34	15	19
East Midlands	42	23	19
West Midlands	21	10	11
East Anglia	49	22	27
London	73	35	38
South East England	37	14	23
South West England	73	46	27
Wales	35	19	16
Scotland	16	7	9
Total	430	215	215

Table 30: Dimension Scale Development Sample by Monthly Subscription

Monthly Subscription	Whole Sample	Sample 1	Sample 2
<£20/month	18	7	11
£20 - £40	114	56	58
£40 - £60	106	49	57
£60 - £80	60	33	27
£80 - £100	23	12	11
> £100	1	0	1
Don't Know	24	16	8
N/A (Co.5 & Co.6)	84	42	42
Total	430	215	215

As Tables 25 and 26 highlight, the sample reflected the prescribed mix of customers in respect of STV company and age, as described in Table 24. The sample was therefore felt to be sufficiently representative of the overall STV customer base. Table 27 illustrates an approximately equal split of male and female respondents among the samples, and Table 28 shows a mix of occupational levels. Questionnaire respondents were based in a variety of

geographical locations, Table 29 shows, and paid a range of amounts in monthly subscriptions, as indicated in Table 30. Tables 25 – 30 therefore highlight extensive diversity within the whole sample and samples 1 and 2, and although there is perhaps an over-representation of students (due, potentially, to the inclusion of 16 & 17 year olds) and an under-representation of customers in the North East of England, the sample profiles presented limited risk of bias within research findings.

While not among the criteria for phase 2 sample recruitment, the representation of a range of household types (as described in Table 8 and achieved within phase 1) remained desirable due to the diversity of life-stages, lifestyles and associated customer experiences and value perceptions such a sample would present. To assess the diversity of household type within the phase 2 samples a post-recruitment analysis of respondents was undertaken. As Table 31 (below) shows, while a large proportion of participants were married, more the half the sample comprised people with alternative marital statuses. As a further insight into household type, the number of dependent children living with the respondents was also reviewed. As Table 32 (overleaf) shows, 105 respondents reported the presence of children within their households and as Table 33 (overleaf) highlights, these children ranged in age from infants to young adults. The sample recruited therefore offered a diversity of household type, supporting the development of high quality research findings.

Table 31: Dimension Scale Development Sample by Marital Status

Marital Status	Whole Sample	Sample 1	Sample 2
Single	62	27	35
In relationship, but not living together	23	13	10
Co-habiting	61	30	31
Married	185	96	89
Separated/Divorced	28	15	13
Widowed	15	8	7
N/A (under 18's)	56	26	30
Total	430	215	215

Table 32: Dimension Scale Development Sample by No. Dependent Children in Household

No. Dependent Children	Whole Sample	Sample 1	Sample 2
1	45	23	22
2	42	24	18
3	18	6	12
Total	105	53	52

Table 33: Dimension Scale Development Sample by Age of Dependent Children.

Ages of Children	Whole Sample	Sample 1	Sample 2
0-4	43	22	21
5 to 9	32	19	13
10 to 13	29	10	19
14 to 17	33	16	17
18 and over	15	10	5
Total	152	77	75

9.5.1.4 Dimension Scale Development - Data Collection

The survey was administered online and respondents were required to respond to all items. The omission of any response resulted in an error message and the respondent was prevented from progressing until the situation was rectified. This ensured that a complete data set was produced. The measurement items were presented in a random order to avoid any recognition by the respondent of common themes within statements designed to measure a single value dimension, which might have resulted in the potentially erroneous selection of the same answer for each statement (Rossiter, 2002). All measurement items were personalised to the respondent's STV provider, a feature that aimed to support their consideration of each statement.

9.5.1.5 Dimension Scale Development - Data Analysis

The analysis of the resulting data was designed to achieve the following objectives:

- To produce robust and more parsimonious value dimension scales (a process known as *purification* (Churchill, 1979))
- To undertake a further process of purification and produce a robust measure of overall value, required for the development of a customer value index.
- To confirm the reliability and validity of the non-value construct scales.

The process of purification combined procedures established by Churchill (1979), Hair et al. (2006) and Gerbing and Anderson (1988):

1. Confirm the unidimensionality of each set of measures. Multi-item measures, such as the dimension scales developed within this investigation, give rise to a composite score (Gerbing and Anderson, 1988; Hair et al., 2006; Rossiter, 2002), indicating the extent to which the specific phenomenon of interest is present. A composite score is only meaningful if the scale is unidimensional (Gerbing and Anderson, 1988). That is, the measurement items within the scale are strongly inter-related and are associated with a single construct (Hair et al., 2006). Measure unidimensionality was examined via exploratory and confirmatory factor analyses (Churchill, 1979; Gerbing et al., 1988; Hair et al., 2006).
2. Confirm measure reliability. Reliability refers to the degree of consistency offered by a scale (Hair et al., 2006). Within this investigation reliability was assessed via inter-item correlations, item-to-total correlations (Hair et al., 2006) Cronbach's alpha (Churchill, 1979) and the calculation of construct reliability during confirmation factor analysis (Hair et al., 2006). Additionally, as described in Section 9.5.1.3, the 430 responses were split into two equivalent samples. Each stage of the analysis was initially carried out using sample 1, with the results subsequently verified using sample 2. This approach served to present evidence of test-retest reliability (Churchill, 1979; Hair et al., 2006). While Churchill (1979) advocates the collection and use of fresh data in

assessing test-retest reliability, due to time constraints this was not feasible within this investigation. The splitting of data undertaken here is an accepted compromise in scale development where the number of separate samples is limited by practical considerations (e.g. Hair et al., 2011; Parasuraman et al., 2005).

3. Confirm measure convergent, discriminant and nomological validity. Discriminant and nomological validity were discussed in Section 9.4.5.2. Convergent validity refers to the degree of correlation between two measures of the same phenomenon (McDaniel and Gates, 1996). It assesses measurement accuracy, with a high correlation between a new and existing scale implying that the newly developed measure is measuring what it was designed to measure (Hair et al., 2006). Due to the lack of any robust, pre-existing measure of customer value (as described in Section 3.2.1) a direct and meaningful comparison of measures was impossible. However, confirmatory factor analysis enables the assessment of convergent validity through the examination of factor loadings and the calculation of a percentage variance extracted (Hair et al., 2006). This approach to convergent validity assessment was duly adopted within this investigation.

Purifying Value Dimension and Overall Value Scales

Prior to commencing the examination of scale multi-dimensionality via exploratory factor analysis, the responses to each measurement item were reviewed to determine their distribution at either end of the agree/disagree Likert scale. Following Macdonald and Uncles (2007) any question for which less than 8% of respondents selected either 1 or 7 would have been a candidate for exclusion. However, all questions were found to have a distribution of responses with more than 8% being accounted for by numbers 1 and 7.

Confirming Unidimensionality via EFA on Whole Value Item Set

To confirm the unidimensionality of the value dimension and overall value scales, an exploratory factor analysis (EFA) was carried out on sample 1, using the statistical analysis software SPSS. This aimed to investigate the underlying structure among the 96 items designed to measure customer value dimensions and overall value. As the focus of this investigation was on the correlations between variables rather than similarities between respondents, an R factor analysis was carried out (Hair et al., 2006). In addition, since the goal was one of data reduction (creating a smaller set of variables) principal component analysis was applied with orthogonal (VARIAMAX) rotation.

An initial review of the data indicated its suitability for EFA. Specifically, the measure of sampling adequacy (MSA) was found to be 0.756, above the required threshold of 0.50 (Hair et al., 2006) and the outcome of a Bartlett's test of sphericity was found to be significant (sig <0.05), indicating that sufficient correlations existed within the data to support EFA (Hair et al, 2006). Table 34 (below) shows the SPSS output for these statistical tests.

Table 34: Sample 1 EFA – MSA and Bartlett's Test of Sphericity Tests

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.756
Bartlett's Test of Sphericity	Approx. Chi-Square	20454.012
	df	7750
	Sig.	0.000

A further review of sample requirements, however, indicated that the volume of responses was potentially too low for the EFA findings to be reliable. Specifically, Hair et al. (2006) note that the minimum volume of response should equate to approximately five times as many variables are required, with a ratio of 10 to 1 being more acceptable. In this study a sample size of between 460 and 920 would therefore have been required to avoid the risk of “over-fitting the data” (Hair et al., 2006, p. 112). As the volume of observations under analysis

is 215 the sample provides a ratio of 2.3 to 1. In these circumstances Hair et al. (2006) suggest that findings are treated with caution.

Due to the questionnaire design it was anticipated that the EFA would produce 17 factors: one formed of the items designed to measure each of the 16 individual customer value dimensions and one comprising the overall customer value measures. The presence of this number of discrete factors would confirm the unidimensionality of the sets of items designed to measure each dimension. That is, each set of items would be highlighted as capturing a specific construct in isolation. However, the use of latent root (where factors with eigenvalues of > 1.0 are presented) and a priori criteria (in which the number of factors was restricted to 17) failed to generate an initial outcome with 17 distinct factors. In fact, in both cases the majority of items loaded onto factors 1 and 2. The output of the latent root and a priori criteria-based EFAs is presented in Appendix F. As the data show, the former generated a solution comprising 21 factors, and both approaches generated outcomes containing a large number of cross-loadings. However, despite the absence of a clear 17-factor outcome, in both EFAs, a number of the pre-defined valued dimensions did emerge from the data, as indicated by the circles in Appendix F. For example, using both latent root and a priori criteria resulted in items CP1 – CP6 (designed to measure the companionship value dimension, described in Section 10.1.3.3) loading onto factor 4 in relative isolation. This provided some initial comfort (albeit highly tentative) that the pre-designed structure was at least partially present within the data.

Hair et al. (2006) recommend that items with communalities of less than 0.50, those with no significant loadings on any factor (where a loading should be >0.40 to be considered significant) and those which load onto more than one factor should be eliminated in a step-wise fashion, in order to produce a more parsimonious and robust factor solution. This process was subsequently undertaken in an attempt to produce further evidence of the presence of unique value dimensions within the data. As Hair et al. (2006) also note, where the number of variables exceeds 50, as is the case in this research, the use of the

latent root criterion in generating factor structures is potentially unreliable, with a tendency to produce an excessive number of factors. Consequently, the remaining sample 1 EFA analyses applied only the a priori criterion of 17 factors.

A review of all the item communalities highlighted none with a value of less than 0.50 and all items were subsequently retained. Items loading on to more than one factor were then excluded in a step-wise fashion and a subsequent EFA was carried out after each deletion. This continued until all the items designed to measure a specific value dimension loaded onto a single factor or until any remaining cross-loadings were deemed to be insignificant (e.g. a secondary loading of <0.40). In total 30 items were removed. The resulting series of items were each deemed to be unidimensional in respect of the dimension they were designed to measure, as is required for the development of a summated scale (Hair et al, 2006). This conclusion was at best tentative however, due to the sampling issues described above. The results of this stage were therefore inconclusive in respect of developing parsimonious, unidimensional scales. However, the findings from this sample 1 EFA did indicate which items had the potential to cross-load when analysed in conjunction with those from other dimensions. This information was subsequently applied in support of decisions regarding item exclusion during the next stage of analysis, in which each set of items designed to measure a specific value dimension was considered individually.

Purifying value dimension and overall value scales: analysing individual sets of measurement items.

This revised approach to analysis overcame the problem of an insufficient volume of responses, as previously highlighted. The maximum number of items within a question set was eight, resulting in a required minimum of 40 responses (Hair et al., 2006), well below the 215 used within the analysis. As a result, the findings of this revised analysis were felt to be more conclusive than those arising from the EFA previously conducted using the whole (96) item set.

During this analysis, EFAs were carried out using sample 1 data, with the removal of measurement items with the poorest loadings or lowest communalities to create reduced set of items. All EFAs applied principle component analysis and latent root criteria. This was followed by an assessment of the reliability of each reduced question set. Hair et al. (2006) and Churchill (1979) recommend the use of a series of diagnostic measures to assess reliability; accordingly, individual items were investigated via a calculation of between-item and item-to total correlations. A Cronbach's alpha statistic was then calculated for each set of measures, providing a reliability coefficient reflective of the entire scale.

The suitability of the reduced question sets was then confirmed using sample 2, via either a confirmatory factor analysis (CFA) or a second EFA if the reduced scale comprised fewer than 4 items. Gerbing and Anderson advocate the use of CFA as it allows for additional testing of measure unidimensionality and presents a more rigorous interpretation of dimensionality, reliability and validity that arises from analyses focussed solely on EFA. However, scales containing 3 or fewer items are not sufficiently identified (that is, they contain too few degrees of freedom) to enable either the confirmation or rejection of the model via CFA (Byrne, 2010). As a result, four-item scales were deemed to be preferable within this study. Following the CFA or EFA on sample 2, assessments of discriminant and nomological validity were subsequently carried out, using both sample 1 and sample 2 to ensure consistency of findings.

To illustrate this process, the following seven items were designed to measure the entertainment value dimension:

ET1: <STV Co> provides me with entertainment.

ET2: Without <STV Co> I would have less entertainment.

ET3: <STV Co> helps me avoid feeling bored.

ET4: I get enjoyment from my <STV Co> package.

ET5: <STV Co> provides entertainment when I've got nothing to do.

ET6: <STV Co> helps me spend time in an enjoyable way.

ET7: My <STV Co> package provides a variety of entertainment options.

An EFA of ET items within sample 1 data was carried out, using principal component analysis with latent root criteria to objectively determine the optimal number of factors (Hair et al., 2006) and orthogonal (VARIMAX) rotation. A visual inspection of between-item correlations found them all to be above the threshold of 0.4 (Hair et al., 2006) and significant at the 5% confidence level. The measure of sampling adequacy (MSA) was found to be 0.902, above the required threshold of 0.50 (Hair et al., 2006) and the outcome of a Bartlett's test of sphericity was found to be significant (sig <0.05), indicating that sufficient correlations existed within the data (Hair et al, 2006) for an EFA to be carried out. Table 35 (below) shows the SPSS output for these statistical tests.

Table 35: ET1 –ET7 EFA – MSA and Bartlett's Test of Sphericity Tests

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.902
Bartlett's Test of Sphericity	Approx. Chi-Square	715.920
	df	21
	Sig.	0.000

An assessment of the communalities for each of the 7 items found them all to be above the required threshold of 0.50 (Hair et al., 2006) although ET7 was observed to have a communality of 0.511, which is notably lower than the others, suggesting that ET7 is a candidate for deletion. Table 36 (overleaf) shows the communalities.

Table 36: ET1 –ET7 EFA Communalities

	Initial	Extraction
ET1	1.000	0.563
ET2	1.000	0.596
ET3	1.000	0.564
ET4	1.000	0.680
ET5	1.000	0.632
ET6	1.000	0.660
ET7	1.000	0.511

Items ET1 to ET7 were found to load onto a single factor (rotation was therefore not carried out). The factor accounted for 60.096% of the variance within the data set (as illustrated in Table 37, below), just over the 60% minimum proposed by Hair et al. (2006) as necessary for a satisfactory factor solution. As Table 38 (overleaf) shows, all factor loadings were greater than 0.5 and were therefore statistically significant (Hair et al., 2006).

Table 37: EFA ET1 – ET7 Output and Percentage of Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.207	60.096	60.096	4.207	60.096	60.096
2	0.740	10.565	70.661			
3	0.511	7.296	77.957			
4	0.452	6.455	84.412			
5	0.414	5.916	90.327			
6	0.382	5.453	95.781			
7	0.295	4.219	100.000			

Table 38: EFA ET1 – ET7 Factor Loadings

	Component
	1
ET1	0.750
ET2	0.772
ET3	0.751
ET4	0.825
ET5	0.795
ET6	0.813
ET7	0.715

In accordance with the goal of this analysis to produce a more parsimonious four or three-item entertainment value scale, ET7 was subsequently excluded as it exhibited the lowest communality and poorest loading. The EFA was re-run using the same data set. Again the extent of inter-item correlation was found to be acceptable and all communalities were greater than 0.50, as Table 39 (below) illustrates:

Table 39: EFA ET1 – ET6 Communalities

	Initial	Extraction
ET1	1.000	0.556
ET2	1.000	0.624
ET3	1.000	0.583
ET4	1.000	0.659
ET5	1.000	0.660
ET6	1.000	0.681

Items ET1 to ET6 all loaded onto a single factor (rotation was therefore not carried out) and this factor accounted for 62.7% of the variance within the data set (as illustrated in Table 40, overleaf). The removal of ET7 from the question has therefore improved the overall 'fit' of the resulting model (Hair et al., 2006).

As Table 41 (below) shows, all factor loadings were greater than 0.5 and were therefore statistically significant (Hair et al., 2006).

Table 40: EFA ET1 – ET6 Output and Percentage of Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.764	62.728	62.728	3.764	62.728	62.728
2	0.663	11.058	73.786			
3	0.454	7.568	81.354			
4	0.422	7.029	88.383			
5	0.387	6.458	94.840			
6	0.310	5.160	100.000			

Table 41: EFA ET1-ET6 Factor Loadings

	Component
	1
ET1	0.746
ET2	0.790
ET3	0.764
ET4	0.812
ET5	0.813
ET6	0.825

Table 41 highlights, the measurement items ET1, ET2 and ET3 exhibited the lowest loadings. In line with the objective of creating a more parsimonious scale, the three potential four-item scales (ET1, 4, 5 & 6, ET2, 4, 5 & 6 and ET3, 4, 5, & 6) were examined and compared using EFA. For each reduced scale, between-item correlations, item-to-total correlations and a Cronbach's alpha statistic were calculated to assess reliability. The output of the EFAs (percentage of variance explained by the single factor produced for each four-item scale) and Cronbach's alpha statistics are highlighted in Table 42, overleaf.

Table 42: Comparison of Four-Item Scale EFA Outputs and Cronbach's Alphas

	ET3, 4, 5 & 6	ET2, 4, 5 & 6	ET1, 4, 5 & 6
% of Variance Explained by Factor	68.02%	68.76%	68.27%
Cronbach's Alpha	0.838	0.844	0.844

As Table 42 indicates, the three potential four-item ET measures are relatively similar in the percentage of variance explained and reliability as measured by Cronbach's Alpha, with all exceeding the 0.70 threshold required for confirmation of the latter (Hair et al., 2006). However, ET3, 4, 5 & 6 was slightly lower in respect of both and was therefore excluded from further analysis. A visual inspection of the correlation matrices produced for each potential purified scale provided further confirmation of reliability in each case. For example, Table 43 (overleaf) shows the output for ET1, 4, 5 & 6. Hair et al. (2006) specify that between-item correlations should exceed 0.30, while item-to-total correlations should be greater than 0.50. As Table 43 highlights, all between-item correlations were significant and exceed 0.50; item-to total correlations were also significant and of a magnitude in excess of 0.80. Reliability of the reduced scale comprising ET1, 4, 5 & 6 is thus confirmed.

Table 43: Between-Item and Item-to Total Correlations – ET1, 4, 5 & 6.

		ET1	ET4	ET5	ET6	ET1456
ET1	Pearson Correlation	1				
	Sig. (2-tailed)					
ET4	Pearson Correlation	0.630**	1			
	Sig. (2-tailed)	0.000				
ET5	Pearson Correlation	0.501**	0.544**	1		
	Sig. (2-tailed)	0.000	0.000			
ET6	Pearson Correlation	0.530**	0.634**	0.619**	1	
	Sig. (2-tailed)	0.000	0.000	0.000		
ET1456	Pearson Correlation	0.808**	0.846**	0.807**	0.843**	1
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	
	N	215	215	215	215	215

** . Correlation is significant at the 0.01 level (2-tailed).

The remaining two reduced question sets (ET1, 4, 5, & 6 and ET2, 4, 5 & 6) were subject to confirmatory factor analysis (CFA), using sample 2 of the data and the AMOS software package to validate their appropriateness for inclusion in subsequent data collection and index development exercise. Hair et al. (2006) recommend the use of range of CFA statistics to determine an acceptable fit. Specifically, where the number of observed variables is less than 12 (as is the case here) they suggest reviewing the Chi-squared statistic (along with its statistical significance), the CFI (comparative fit index), TLI (Tucker Lewis index) and RMSEA (Root mean square error of approximation) to determine goodness-of-fit. In addition to determining the extent to which a fit exists between a pre-defined model and a set of empirical data, CFA can be used to determine construct reliability and convergent validity (Hair et al., 2006). Table 44 (overleaf) shows the required levels for each of these measures along

with the findings from the CFA of ET2, 4, 5 & 6 and ET1, 4, 5 & 6. In addition to the statistic captured in Table 44, convergent validity is also assessed via an examination of the factor loadings within a model (Hair et al., 2006). Table 45 (below) details the respective loadings for the two four-factor ET models tested in this instance. Hair et al. (2006) note that, for sufficient convergent validity to be exhibited, all loadings should be 0.7 or higher. As Table 45 indicates, ET2's loading falls slightly short of this threshold.

Table 44: CFA Output Thresholds and Measures

	Threshold for Model Fit (Hair et al., 2006)	ET2, 4, 5 & 6	ET1, 4, 5 & 6
Chi-squared (sig)	Chi-square should be low, with sig (p) > 0.05	2.327, $p=0.312$	0.223, $p=0.893$
CFI	0.97 or higher	0.999	1.000
TLI	0.97 or higher	0.997	1.013
RMSEA	0.08 or lower	0.028	0.00
Construct Reliability	0.70 or higher	0.75	0.79
Convergent Validity	0.50 or higher	0.60	0.63

Table 45: ET Model CFA Factor Loadings

	ET2,4,5 & 6	ET1,4,5 & 6
ET1	N/A	0.772
ET2	0.698	N/A
ET4	0.853	0.839
ET5	0.788	0.786
ET6	0.754	0.773

A review of the output from the CFA suggests that a reduced scale consisting of items ET1, 4, 5 and 6 is most appropriate for the measurement of the entertainment value dimension, as it has a better model fit than the alternative ET2, 4, 5, 6 scale (as evidenced by a lower chi-squared statistic, higher CFI and TLI and lower RMSEA), greater construct reliability and convergent validity. This conclusion is also supported by the findings from the initial EFA exercise in

which all 92 measurement items were analysed, from which it was noted that ET2 was likely to cross-load when combined with items designed to measure alternative value dimensions whereas ET1 did not.

Final confirmation of the suitability of ET1, 4, 5, 6 as an entertainment value scale was derived from the assessment of its discriminant and nomological validity. Discriminant validity was ascertained by examining the extent to which the sum of ET1, 4, 5, 6 scores correlates with those from a tool designed to measure a similar, yet distinctly different concept. In a similar manner, nomological validity was determined via the correlation between the ET scale scores and those arising from a measure of a construct that is a theoretical outcome of perceptions of entertainment value. The relevant correlations were calculated using SPSS and Table 46 (below) illustrates the resulting findings.

Table 46: Correlations to Ascertain Discriminant and Nomological Validity

		Discriminant Validity			Nomological Validity		
		Calculative Commitment	Brand Attachment	Value for Money	Affective Commitment	Customer Satisfaction	Customer Advocacy
ET1456 Sample 1	Pearson Correlation	0.417**	0.549**	0.493**	0.518	0.704**	0.567**
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000
ET1456 Sample 2	Pearson Correlation	0.526	0.559	0.505	0.565	0.805	0.632
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000

As Table 46 illustrates, the correlations between ET1, 4, 5, 6 and calculative commitment, brand attachment and value for money determined whether the entertainment value scale had discriminant validity. Hair et al. (2006) state that “correlations should be low” (Hair et al., 2006, p. 138), yet fail to provide any indication as to what should be considered as ‘low’. Indeed, Lind et al. (2008) note that terms such as low, moderate and strong “do not have precise meaning” (Lind et al., 2008, p. 465) when used to describe correlation coefficients. The determination of discrimination validity was, therefore, initially problematic. However, the decision was made by the author to assign a maximum level of 0.70, above which it would be construed that the reduced

scale under analysis did not present discriminant validity. The rationale for this approach was derived from Lind et al.'s (2008) discussion of the *coefficient of determination* as an alternative means of assessing the degree of covariance between two variables. The coefficient of determination is calculated by squaring the correlation coefficient (r^2), producing a figure representative of the actual percentage of corresponding variance between two constructs (Lind et al., 2008). A correlation coefficient of 0.70 produces a coefficient of determination of 0.49. Above this level, more than 50% of inter-construct covariance is occurring, implying that the reduced scale may not be measuring an isolated and distinct concept. That is, the scale's discriminant validity may be low.

A review of Table 46 highlights that all the correlations are significant and have a coefficient of approximately 0.500. These statistics could be viewed as indicative of medium strength correlations, rather than low. However, all are below the derived maximum of 0.70 and when compared to the correlations between ET1, 4, 5, 6 and two of the measures designed to reflect nomological validity (customer satisfaction and customer advocacy), the latter are both significant and higher. This suggests a weaker relationship between ET1, 4, 5, 6 and the theoretically distinct concepts than between the reduced entertainment value scale and concepts with which it has theoretically predictive relationships. On this basis it is concluded that the ET1, 4, 5, 6 entertainment value scale has sufficient discriminant and nomological validity. Furthermore, the correlations between the output of reduced ET scale and affective commitment are above 0.500 and are significant, adding further support to the asserted nomological validity of the ET1, 4, 5, 6 entertainment value scale.

This process of purification was repeated using each of the sets of items designed to measure value dimensions and overall value. Where the sample 1 analysis produced a reduced set of three items, a second EFA was carried out using sample 2, rather than a CFA, to reconfirm measure unidimensionality. Construct reliability could not be measured, so a second Cronbach's alpha statistics was produced. Discriminant and nomological validity measurements

remained unchanged. As a result of this analysis 36 items were excluded from the entire question set, resulting in 60 items with which to measure value dimensions and overall value being 'carried forward' for use within the following process of customer value index development. Among the 40 excluded items were all the negatively worded statements. Herche and Engelland (1996) previously observed a reduction in unidimensionality when reverse-polarity statements were incorporated within a scale. As such it is perhaps unsurprising that the process of purification applied within this study resulted in the exclusion of all negative statements.

Confirming the Reliability and Validity of Non-Value Construct Scales

To confirm the suitability of the pre-existing measures of non-value constructs for use in validity analysis, each scale was analysed using the process applied to the purification of value scales. Specifically, using sample 1 of the data, the unidimensionality of each set of items was assessed via EFA and the reliability measured via Cronbach's alpha calculation. Findings were then confirmed via CFA or EFA (depending on the number of item measures) using sample 2. Again, construct reliability and convergent validity were calculated, where possible.

An exception to process arose in respect of the scale previously designed to measure calculative commitment (Gustaffson et al., 2005) as it comprised only two items. EFA and CFA analyses could not therefore be carried out and so correlations (both inter-item and item-to-total) were measured to ensure unidimensionality.

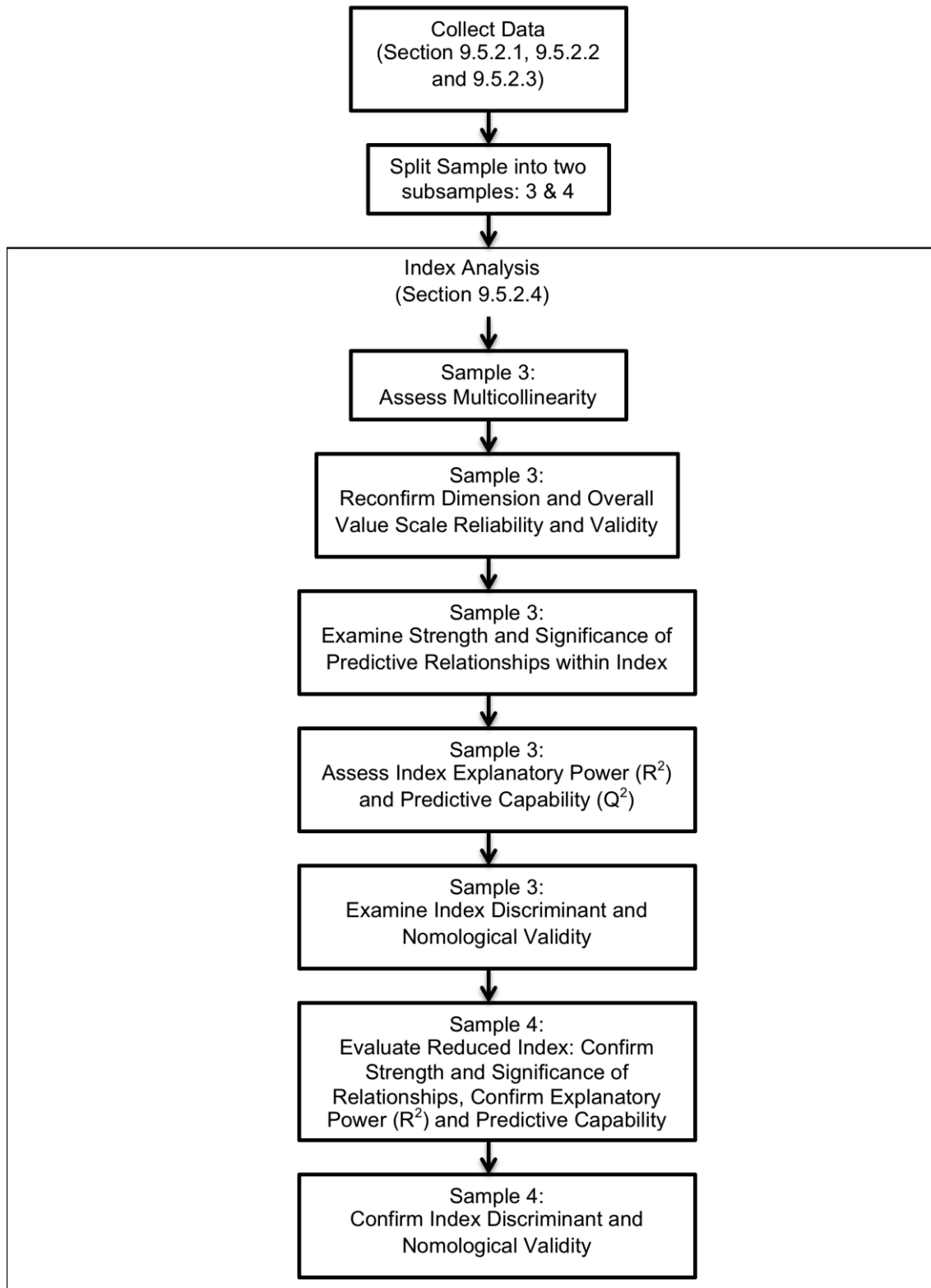
With the exception of the scale designed to measure customer loyalty (Zeithaml et al., 1996) all the pre-designed scales were found to be sufficiently unidimensional, reliable and valid for incorporation in the analysis process. On analysing the data relating to the customer loyalty scale, however, it was found that the items were not unidimensional. Specifically, a visual inspection of the correlation matrix noted a number of non-significant inter-item correlations, and

others that were significant, yet weak (below the 0.40 threshold specific by Hair et al. (2006)). An EFA produced a two-factor solution, which was verified using sample 2. Despite manipulation of the item set (i.e. the removal of items and analysis of shorter scales) a unidimensional solution could not be found. The customer loyalty scale was therefore excluded from the process of analysis within this investigation.

9.5.2 Customer Value Index Development

Having produced a series of parsimonious and robust scales to measure customer value dimensions and overall customer value, the process of customer value index development entailed the collection of a new data set and a subsequent period of data analysis. The analysis applied within this study to the development of an index incorporated procedures recommended by Diamantopoulos and Winklhofer (2001) and Hair et al. (2011). The overall process of index development is illustrated in Figure 9, overleaf.

Figure 9: Process Employed in Customer Value Index Development



9.5.2.1 Customer Value Index Development – Research Instrument

The questionnaire employed in this process comprised 49 items designed to measure value dimensions, 3 measures of overall value and 28 statements designed to capture perceptions of non-value constructs. As described in Section 9.5.1.5, the customer loyalty scale was excluded. However, pre-existing scales to measure consumer trust (Morgan and Hunt, 1994) and customer gratitude (Palmatier et al., 2009) were incorporated within the questionnaire, providing two further means of assessing nomological and discriminant validity, respectively. As in the previous stage, a series of items to capture respondent information were also included. The resulting question set is presented in Appendix E.

9.5.2.2 Customer Value Index Development – Research Participants

An external agency was again employed in the process of recruitment; the criteria adopted in the development of value dimension scales (described in Table 24) were replicated. A sample size of 400 was desired and, due to quota requirements, 461 responses were collected. Again the data was split into two equivalent samples (sample 3 and sample 4) in order to facilitate subsequent analyses and the confirmation of test-retest reliability. Tables 47 to 52 (below, and on pages 142 and 143) illustrate the sample profile in respect of TV provider, age, gender, occupation, location and monthly subscription.

Table 47: Index Development Sample by Providing Company

Provider	Whole Sample	Sample 3	Sample 4
Co1	217	108	109
Co2	119	59	60
Co3	15	8	7
Co4	4	2	2
Co5	18	9	9
Co6	88	44	44
Total	461	230	231

Table 48: Index Development Sample by Age

Age	Whole Sample	Sample 3	Sample 4
16-17	51	25	26
18-24	49	25	24
25-34	70	34	36
35-44	74	37	37
45-54	83	41	42
55-59	47	24	23
60-64	36	19	17
65-70	51	25	26
Total	461	230	231

Table 49: Index Development Sample by Gender

Gender	Whole Sample	Sample 3	Sample 4
Male	205	104	101
Female	256	126	130
Total	461	230	231

Table 50: Index Development Sample by Occupation

Occupation	Whole Sample	Sample 3	Sample 4
Senior Managerial or Professional	11	5	6
Intermediate Managerial, Administrative or Professional	56	32	24
Supervisor; Clerical; Junior Managerial, Administrative or Professional	100	46	54
Manual Worker (with industry qualifications)	32	12	20
Manual Worker (with no industry qualifications)	28	17	11
Unemployed	45	23	22
Retired	75	40	35
Student	114	55	59
Total	461	230	231

Table 51: Index Development Sample by Location

Location	Whole Sample	Sample 3	Sample 4
North East England	0	0	0
North West England	57	27	30
Yorkshire and Humberside	27	17	10
East Midlands	45	24	21
West Midlands	23	9	14
East Anglia	61	24	37
London	79	41	38
South East England	40	20	20
South West England	67	32	35
Wales	42	25	17
Scotland	20	11	9
Total	461	230	231

Table 52: Index Development Sample by Monthly Subscription

Subscription £	Whole Sample	Sample 3	Sample 4
<£20/month	18	11	7
£20 - £40	89	40	49
£40 - £60	130	67	63
£60 - £80	57	30	27
£80 - £100	25	12	13
> £100	3	0	3
Don't Know	33	17	16
N/A (Co5 & 6)	106	53	53
Total	461	230	231

As Tables 47 and 48 show, the specific recruitment criteria were met, resulting in a sample deemed to be representative of the overall STV customer base. An approximately equal representation of male and female respondents is highlighted in Table 49; Table 50 shows a diversity of occupation within the sample, though again a rather large proportion of respondents were students.

As Table 51 highlights, with the exception of the North East, the greater proportion (in geographical terms) of the UK is represented within the sample and as Table 52 indicates, respondents varied in respect of the amount they spent on their STV subscriptions. Overall, Tables 46 to 51 indicate no evidence of the potential for excessive bias to arise within the findings as a result of the sample profile.

Table 53 (below) highlights a diversity of marital statuses within the sample and as Table 54 (overleaf) shows, a large proportion of respondents reported the presence of dependent children within their household. Furthermore, these children ranged in age, as shown in Table 55, overleaf. It can therefore be concluded that the whole sample recruited within this index development stage of the investigation and samples 3 and 4 subsequently isolated, represent a range of household types, with a resulting breadth of life-stages, lifestyles and STV customer experiences.

Table 53: Index Development Sample by Marital Status

Marital Status	Whole Sample	Sample 3	Sample 4
Single	68	31	37
In relationship, but not living together	29	12	17
Co-habiting	63	30	33
Married	214	114	100
Separated/Divorced	31	17	14
Widowed	5	1	4
N/A (under 18's)	51	25	26
Total	461	230	231

Table 54: Index Development Sample by Dependent Children

Dependent Children in Household	Whole Sample	Sample 3	Sample 4
1	62	35	27
2	36	15	21
3	14	9	5
4	3	2	1
More than 4	1	1	0
Total	116	62	54

Table 55: Index Development Sample by Age of Dependent Children

Ages of Children	Whole Sample	Sample 3	Sample 4
0-4	41	20	21
5 to 9	34	18	16
10 to 13	39	23	16
14 to 17	38	20	18
18 and over	11	8	3
Total	163	89	74

9.5.2.3 Customer Value index Development - Data Collection

The questionnaire was again issued via the Internet and respondents prevented from submitting incomplete returns. As with the previous data collection, measurement items were presented in a random order and were personalised to the respondents STV provider.

9.5.2.4 Customer Value Index Development – Data Analysis

An initial analysis of the data was carried out to assess the suitability of the newly incorporated consumer trust and customer gratitude scales for use in validity assessments. The process replicated that described in Section 9.5.1.5: An EFA was carried out using sample 3 to ensure the unidimensionality of each scale, followed by the calculation of a Cronbach's alpha statistic as an

assessment of reliability. As both scales comprised three items, this process was repeated using sample 4. Both scales were found to be suitable for use within subsequent analyses.

Analysis was then undertaken in order to construct an index with which to measure customer value perceptions. The process was similar to that of purification described in the previous section in relation to dimension scale development, as it sought to remove any items that were detrimental to the explanatory power of the resulting index. However, due to the nature of formative measurement, the exclusion of indicators from an index presents the risk of altering the construct being measured (Jarvis et al., Diamantopoulos and Winklhofer, 2001). That is, reduced content validity may result (Hair et al., 2013) if an index is purified to such an extent that it fails to capture all facets of a construct. Diamantopoulos and Winklhofer (2001) recommend that item exclusion should, therefore, be approached with caution. Accordingly, the approach adopted within this study sought to strike a balance between the need for content validity and for a tool that enables the meaningful measurement of customer perceived value. The following procedures were undertaken, following the guidelines developed by Diamantopoulos and Winklhofer (2001), Hair et al. (2011) and Hair et al. (2013):

1. An assessment of multicollinearity between value dimensions via the calculation of variance inflation factors (VIFs) (Diamantopoulos and Winklhofer, 2001; Hair et al., 2011).
2. The evaluation of the resulting index using partial least squares structural equation modelling (PLS-SEM) (Hair et al., 2011, Hair et al., 2013). This enabled: the reconfirmation of the dimension and overall value scales' reliability and validity; the measurement of the strength and significance of the predictive relationships between value dimensions and overall perceptions of value; the assessment of the extent of variance in overall value explained by the index (R^2) and the predictive capability of the index (Q^2)
3. The examination of discriminant and nomological validity via further PLS-SEM (Diamantopoulos and Winklhofer, 2001).

The remainder of this Chapter 9 presents an expanded description of each of these procedures.

Assessing Inter-Value Dimension Multicollinearity

The examination of the extent of multicollinearity between index constituents is recommended by Diamantopoulos and Winklhofer (2001) and Hair et al. (2011) as an initial step in index development. Multicollinearity arises in the event of strong correlations between index elements, in this instance, value dimensions. This results in the redundancy of a specific dimension's contribution to the construct being measured by the index (Diamantopoulos and Winklhofer, 2001; Hair et al., 2011) and the potential for subsequent over-estimation. Furthermore, the presence of multicollinearity may negatively impact subsequent structural equation modelling processes (Hair et al., 2013) resulting in difficulties in index evaluation.

Diamantopoulos and Winklhofer (2001) and Hair et al. (2011) recommend the calculation of VIFs to assess the extent of between-dimension multicollinearity; Hair et al. (2011) recommend a threshold of 5.0, above which multicollinearity can be viewed as excessive and potentially detrimental. Specifically, a VIF of 5.0 suggests that 80% of the variance of that indicator is derived from the other formative indicators within the index (Hair et al., 2011). Using the SPSS software package and sample 3 data, the VIFs were calculated using the summated scores from each of the individual value dimensions. The output is presented in Table 56 (overleaf) and four dimensions with VIFs in excess of the 5.0 threshold are highlighted. These dimensions subsequently become candidates for deletion from the index (Diamantopoulos and Winklhofer, 2001; Hair et al., 2011). As previously noted, this was not desirable as all the dimensions had been shown through phase one of this investigation to be relevant contributors to overall perceptions of value. Their exclusion subsequently presented the risk of reduced content validity (Hair et al., 2013). Accordingly, a series of iterative analyses was undertaken, whereby each of the dimensions exhibiting multicollinearity was removed individually, and the VIFs

recalculated. To clarify by way of an example, the relationship support dimension, as the dimension with the highest VIF, was removed and the data reanalysed. The dimension was then replaced, the self-esteem dimension was removed and the data reanalysed. The aim of this process was to determine whether the removal of one 'problematic' dimension might reduce the VIFs of the remaining dimensions for which exclusion appeared necessary. Unfortunately the removal of a single dimension failed to achieve this. The process continued with the removal of two dimensions, but again the remaining high VIFs did not reduce below the 5.0 threshold. The decision was subsequently taken to exclude the four dimensions with high VIFs from subsequent index evaluation as the risk of redundant information and resulted flawed value measurement was felt to outweigh that associated with reduced content validity.

Table 56: SPSS Output – Dimension Variance Inflation Factors (VIFs)

Model	Collinearity Statistics	
	Tolerance	VIF
Entertainment	0.213	4.688
Relaxation	0.163	6.119
Stimulation	0.195	5.120
Comfort	0.285	3.505
Companionship	0.612	1.635
Knowledge Enhancement	0.285	3.514
Household Harmony	0.269	3.716
Relationship Support	0.142	7.056
Altruistic Gratification	0.203	4.922
Self-Esteem	0.161	6.212
Status	0.213	4.698
Reduced Expenditure	0.521	1.919
Control	0.287	3.480
Assured Performance	0.341	2.934
Ease of Use	0.355	2.815
Reciprocity	0.363	2.752

NB – Dependent Variable: Overall Value

Index Construction

The remaining data within sample 3 were examined using the PLS-SEM technique and the SmartPLS software (Ringle et al., 2005). Hair et al. (2013) recommend the use of PLS-SEM (rather than covariance-based structural equation modelling) in situations where theory is under-developed and where the objective is one of prediction. As described in Section 3.2.1, the nature of customer value at the overall second order level remains under-investigated; robust theory is therefore lacking. In addition, in developing an index the goal is ultimately one of prediction. As such, PLS-SEM was deemed to be appropriate for use within this study. Furthermore, Hair et al. (2011) advocate the use of PLS-SEM in the evaluation of models containing formative relationships, due to the causal nature of these relationships and the underlying regression basis of the PLS-SEM technique. This examination of the data facilitated the achievement of:

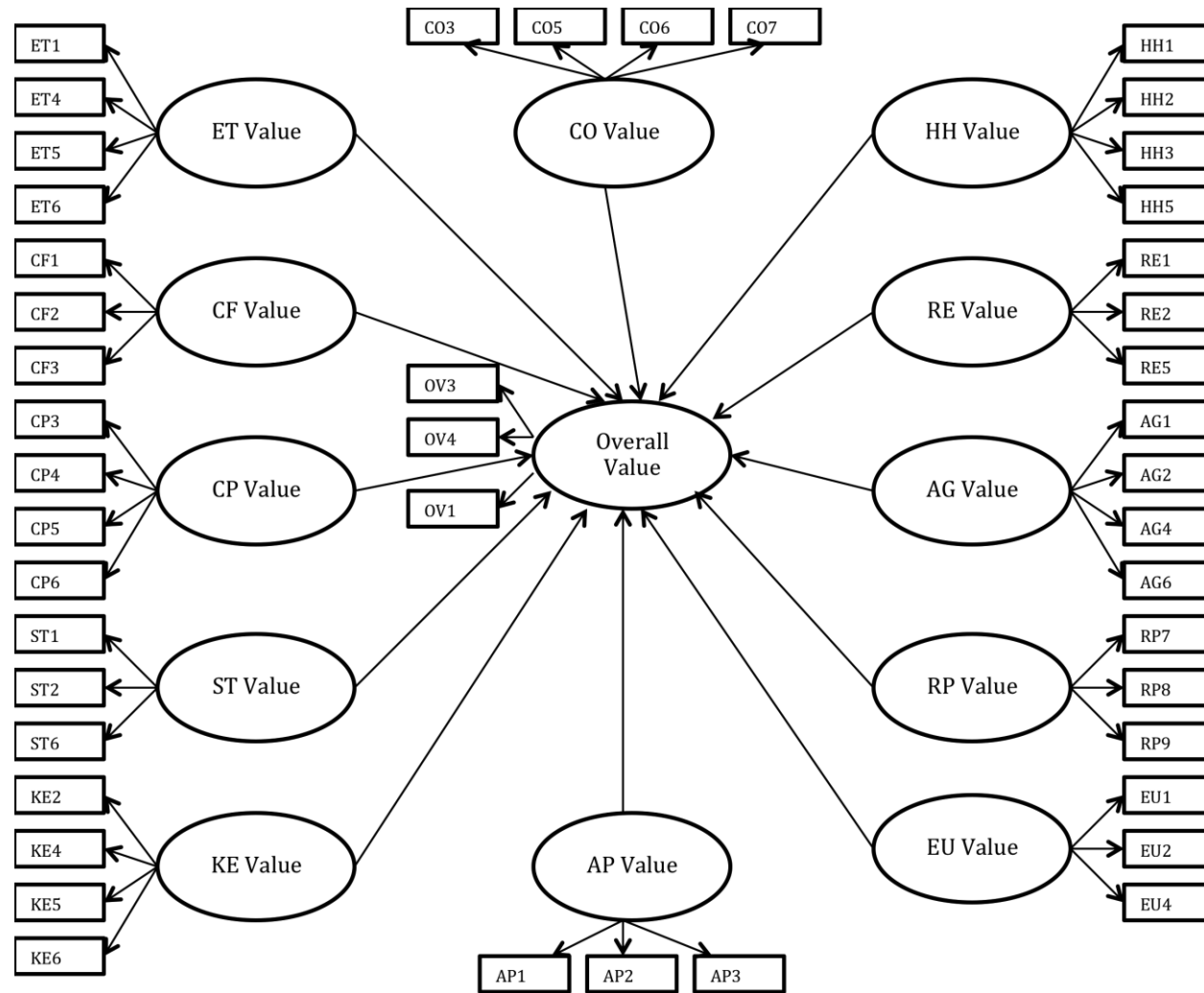
- The reconfirmation of the reliability and validity of the individual dimension scales and measure of overall value.
- The examination of the significance and strength of the predictive relationships between each value dimension and overall value. This would determine which measurement items should be incorporated within a customer value index, thereby addressing research question 2.
- The determination of the extent of variance in overall value explained via the index (R^2).
- An assessment of the index's predictive capability (Q^2).

Figure 10 (page 151) shows the structural equation model evaluated. The individual item measures (e.g. ET1) represent indicator variables, measured directly through the questionnaire (Hair et al., 2013). The series of relationships between these indicators and the relevant value dimensions (latent variables) represents the *measurement model* (Hair et al., 2011; Hair et al., 2013). Within this investigation, the measurement model is reflective, due to the reflective measurement of the value dimensions. The measurement model was analysed

and the reliability and validity of the individual dimension scales and overall measure of overall value was reconfirmed.

Within Figure 10 the relationships between the individual value dimensions and overall value comprise the *structural model* (Hair et al., 2013). Due to the conceptualisation of value within Figure 4, this structural model within this study is formative in nature and was evaluated in accordance with the goal of ascertaining the composition of a customer value index.

Figure 10: Structural Equation Model



Measurement Model Evaluation

Using sample 3, the measurement model was analysed to determine the reliability and validity of the scales developed in the previous stage of this investigation. Following Hair et al. (2011) and Hair et al. (2013), the following measures were derived using SmartPLS (Ringle et al., 2005):

- Composite reliability, similar to Cronbach's alpha in its assessment of reliability via internal consistency. A minimum of 0.70 is required. (Hair et al., 2013)
- Indicator reliability, assessed via the size of indicator loadings. Loadings must be greater than 0.70 and significantly significant (Hair et al., 2011)
- Convergent validity. Defined previously (Section 9.5.1.5) PLS-SEM measures convergent validity via the calculation of an average variance extracted (AVE). Values greater than 0.50 indicate convergent validity (Hair et al., 2011)
- Discriminant validity. PLS-SEM enables the assessment of discriminant validity via an examination of indicator loadings. All loadings should be greater than their cross-loadings (Hair et al., 2013). Discriminant validity was also assessed via the Fornell-Larcker criterion, which states that the AVE of each latent construct should exceed that construct's correlation with any other construct (Hair et al. 2011). This could not be directly achieved using SmartPLS (Ringle et al., 2005). Rather, data formulated by the SEM-PLS software was transferred to Excel for subsequent manipulation.

Structural Model Evaluation

Hair et al. (2011) and Hair et al. (2013) recommend the following stages in structural model evaluation:

- Assess the significance and strength of structural model relationships

- Examine the extent of variance in latent construct (in this case, overall value) explained by the model (R^2).
- Assess the predictive capability of the model (Q^2).

The assessment of the significance of the relationships between value dimensions and overall value was achieved through the use of *bootstrapping*. Bootstrapping is employed within the PLS-SEM technique due to the associated underlying assumption that the data under analysis is not normally distributed. Accordingly, bootstrapping entails the creation of numerous random samples from within the data and the subsequent determination of *t*-values as a means of assessing relationship significance (Hair et al., 2013). Hair et al. (2011) recommend 5,000 bootstrapping iterations as a rule of thumb, an approach that was adopted within this investigation. The resulting *t*-values were deemed to represent significant relationships where they exceeded 1.96. This figure is presented by Hair et al. (2011) as representing significance at the 5% confidence level. Any dimensions for which the relationship with overall value was found to be less than 1.96 were deemed not to have a significant predictive relationship with overall value perceptions. These dimensions were subsequently excluded in a stepwise manner and the bootstrapping process repeated until all remaining relationships were significant. As with the examination of inter-dimension multicollinearity, an iterative process of dimension exclusion was undertaken. That is, a single dimension exhibiting a non-significant relationship with overall value was removed and the resulting model re-evaluated, to determine whether the exclusion of a single dimension resulted in an increasing significance of any other dimension identified as a candidate for exclusion. That dimension was then replaced and an alternative dimension removed, and the process repeated. Unfortunately this approach did not result in any improvements in significance and all the dimensions originally identified as having a non-significant predictive relationship with overall value were eventually excluded from the index. Again, while this presents the risk of poor content validity (Hair et al., 2013), it ensures that the resulting customer

value index measures only those dimensions of relevance, thereby producing meaningful and actionable insights.

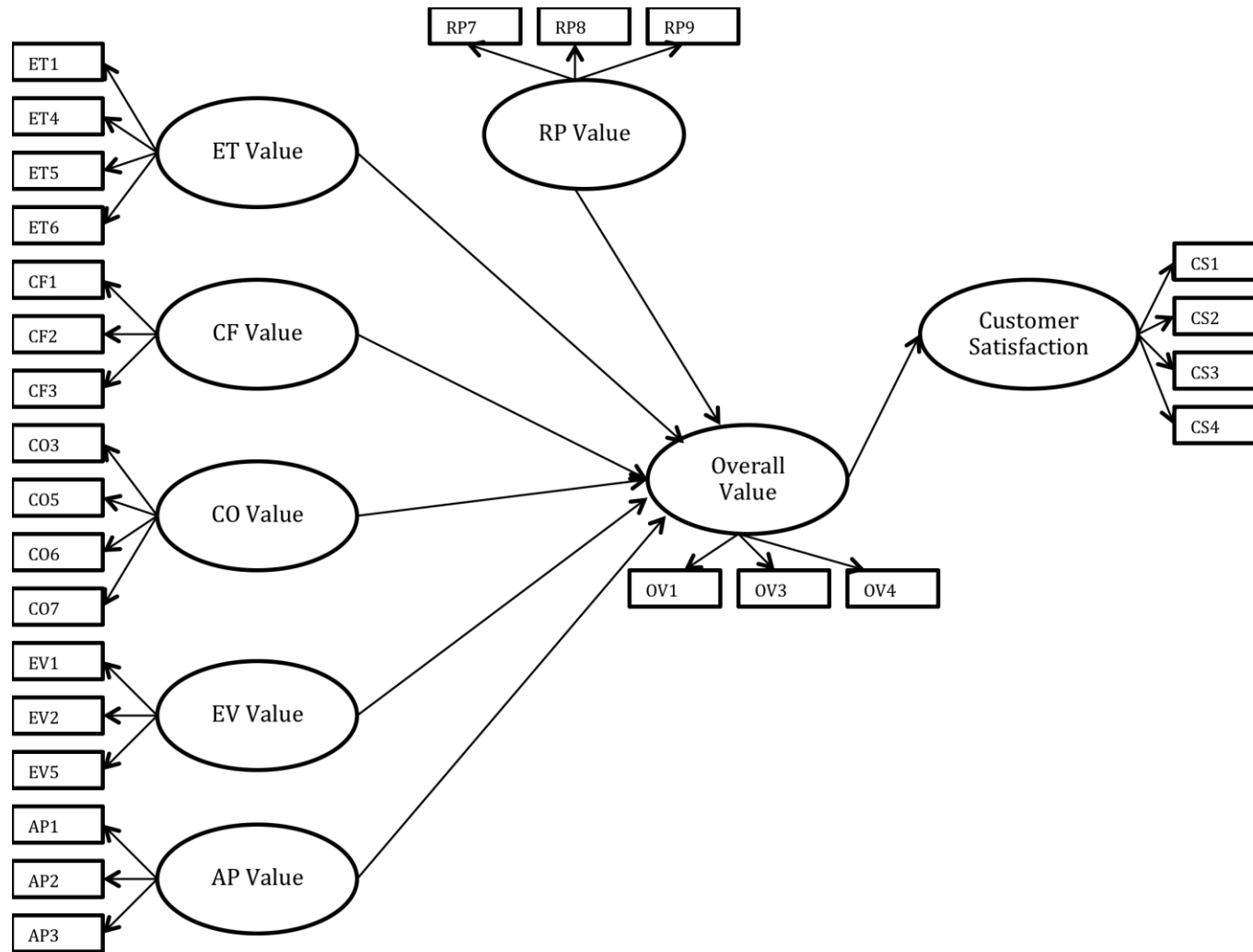
To determine the strength of the relationship between value dimensions and overall value the model was evaluated and the path coefficient for each relationship within the structural model was calculated (Hair et al., 2011; Hair et al., 2013). The higher the figure reported, the stronger the predictive relationship between that dimension and overall value.

The SmartPLS software enabled the calculation of an R^2 value, which indicated the extent of variance in overall value explained by the index. Hair et al. (2011) propose R^2 values of 0.75, 0.50 and 0.25 as substantial, moderate and weak, respectively. Finally, the predictive capability was assessed via the production of a Q^2 statistic; values above zero indicate predictive capability (Hair et al. 2011)

Assessing Discriminant and Nomological Validity

To determine the discriminant and nomological validity of an index, Diamantopoulos and Winklhofer (2001) recommend the linking of the index to an additional, reflective measured constructed, in the manner illustrated in Figure 11 (overleaf).

Figure 11: Validity Assessment Model



The model in Figure 11 was evaluated using PLS-SEM. The path coefficient of interest was that relating to the relationship between overall value and customer satisfaction. A significant relationship of a magnitude “consistent with expectations” (Diamatopoulos and Winklhofer, 2001, p. 273) is indicative of validity. This process was carried out for each of the non-value constructs incorporated within the questionnaire.

It should be noted at this juncture that no formal test of index reliability was carried out, aside from the test-retest exercise achieved via the repeat of all analyses using sample 4. As described in Section 9.5.1.5, reliability measurements assess the internal consistency of measurement items and are correlation-based. As formative measurement is characterised by an absence of necessary covariance between items comprising a construct of interest (Jarvis et al., 2003), reliability measures of this nature are inappropriate (Diamatopoulos and Winklhofer, 2001)

10 Findings & Discussion

Chapter 9 described the research methodology employed within this investigation in detail and provided a rationale for the approach applied to each step within the overall process (Figure 7). The focus of the current chapter is on the presentation of findings. First, the findings arising from the qualitative phase of this research (steps 1 and 2 of the research process in Figure 7) are described in Sections 10.1 and 10.2. Specifically, a multi-dimensional model of customer value is presented in Section 10.1, along with a series of derived value-generating interactions in Section 10.2. The value dimensions are described in detail, with an initial discussion of the contributions subsequently arising from these findings (further consideration of implications and resulting contributions is presented in Chapter 11). Sections 10.3 and 10.4 describe the findings from the quantitative phase of the overall investigation (steps 3 and 4 in Figure 7). A series of value dimension scales is described in Section 10.3 and an index with which to measure value at the overall level is presented in Section 10.4. An initial discussion of the contributions arising from these findings investigation is presented, again to be expanded upon in Chapter 11.

10.1 A Multi-Dimensional Model of Customer Value

The qualitative phase of this investigation (steps 1 and 2 of the overall process, described in Chapter 9) gave rise to 16 unique value dimensions. These dimensions are presented in Table 57, overleaf. As Table 57 highlights, the value dimensions are differentiated on the basis of the type of perception they represent (restorative, actualising or hedonic) and their mode of perception (individual, reflected or shared). The result is an empirically derived customer value framework, which as the following discussion highlights, offers greater granularity of insight than the extant customer value typologies of Holbrook (1999) and Sheth et al. (1991).

The remainder of this section is structured as follows: first, the types and modes of perception within the framework are described and their relationship with

prior literature is discussed. The 16 value dimensions are then presented in turn, categorised in accordance with their type and mode of perception. For each dimension a definition is provided that is derived from the qualitative data via the process described in Section 9.4.4. Verbatim quotations from interview transcripts are presented as a means of illustrating each dimension and to provide evidence of its presence within consumer value perceptions. As previously noted (Section 9.4.1), the real-time experience tracking data was converted through the interview process into a narrative. Where the quotations presented as evidence of a specific dimension are derived from real-time tracking data, this is indicated in the relevant section. Further support for the interpretation of each dimension is subsequently derived from an examination of relationships with phenomena of a similar or related nature, described within alternative domains of literature.

Table 57: Empirically Derived Value Dimensions

Mode of Perception	Type of Perception		
	Restorative	Actualising	Hedonic
Individual	Relaxation Comfort Companionship Assured Performance Ease of Use Reduced Expenditure	Control Knowledge Enhancement	Entertainment Stimulation
Reflected	Reciprocity Self-Esteem	Status	Altruistic Gratification
Shared	Household Harmony	Relationship Support	

10.1.1 Types of Perception

10.1.1.1 Restorative Value Dimensions

The nine restorative value dimensions in Table 57 arise from the recognition by consumers of the relief or avoidance of detrimental circumstances. The restorative dimensions were interpreted from participant descriptions of outcomes of STV consumption experiences, which were perceived positively when they resulted in the easing or avoidance of discomfort, be it emotional (e.g. companionship value), physical (e.g. comfort value) or financial (reduced expenditure value) in nature. Conversely, outcomes giving rise to emotionally, physically or financially detrimental circumstances were described as resulting in a perceived reduction of value.

This notion of value as arising from the avoidance of or relief from detrimental circumstances echoes the concept of prevention goal achievement, highlighted empirically by Chitturi et al. (2008) as an influencer of post-consumption emotions. Prevention goals are characterised by consumers' desire to avoid risk and discomfort. Chitturi et al. (2008) found that, where the consumption of products and their associated benefits resulted in the achievement of prevention goals, customer satisfaction arose. The findings of Chitturi et al. (2008) support the interpretation within this study of a series of restorative value dimensions, as they indicate that consumers will perceive outcomes as positive when they are characterised by the avoidance or resolution of detrimental circumstances. As such, it follows from the underlying conceptual framework (Figure 4) that value perceptions of a similar nature will arise. The findings of Chitturi et al. (2008) are extended, however, through the relationship observed within this study between prevention goal achievement and the concept of customer perceived value, and the observation that such outcomes may be perceived on an individual, reflected or shared basis.

Value dimensions of a restorative nature were incorporated within the theoretically derived typologies of Holbrook (1999) and Sheth et al. (1991). However, the findings of this investigation present further depth and granularity

of insight in respect of the restorative element of overall value perception. This is discussed further in Chapter 11.

10.1.1.2 Actualising Value Dimensions

The four actualising value dimensions depicted in Table 57 arise from consumer perceptions of self-enhancement. The actualising dimensions were interpreted from outcomes of STV customer experiences, described in positive terms by respondents due to an inherent self-improvement. Specifically, respondents described personal empowerment (control value), increased knowledge (knowledge enhancement value), heightened respect from peers (status value) and strengthened inter-personal relationships (relationship support value) as self-enhancing outcomes of STV consumption.

The notion of self-enhancement as desired by consumers is proposed by Maslow (1943), who delineates the drive for self-actualisation (the need to achieve one's full potential) as a key motivator of consumer behaviours. From an empirical perspective, authors such as Sirgy (1982) and Escalas and Bettman (2003) highlight the relationship between self-enhancement goals and consumption choice and evidence individuals' preferences for products and experiences that facilitate self-enhancement. Furthermore, the extended involvement of individuals in consumer subcultures (Schouten and McAlexander, 1995) or brand communities (Schau et al., 2009) has been shown to be characterised by an on-going pursuit of self-enhancement, as members learn to adhere to normative behavioural requirements (Schau et al., 2009), increase their contribution to the relevant communities and achieve desired progression in within-group hierarchies (Schau et al., 2009; Schouten and McAlexander, 1995). It therefore follows from these previous findings that, where an outcome from customer experience encompasses a perception of self-enhancement, the consumer will view it positively. Actualising value dimensions therefore arise in reflection of the nature of the recognised self-enhancement.

Value dimensions of an actualising nature are incorporated within the theoretically derived typologies of Holbrook (1999) and Sheth et al. (1991). However, as with the restorative dimensions, a greater depth of insight regarding the nature of these value perceptions is derived from this study. Further discussion is presented in Chapter 11. In addition, the recognition of actualising value dimensions within the current study makes three specific contributions to the discussion of consumer self-actualisation. First, while Maslow (1943) identified self-actualisation as an individual need, the observation of shared actualising value dimensions highlights the presence of shared needs of this nature. Second, this investigation highlights the recognition by consumers of self-actualisation in a long-term post-purchase consumption context, beyond that observed by Sirgy (1982) and Escalas and Bettman (2003) as arising from product choice. Third, in contrast with the findings of Schau et al. (2009) and Schouten and McAlexander (1995), the observations within this study identify self-actualisation as occurring within a mundane, 'every day' consumption context, for which no specific brand community or consumption subculture exists. That is, self-actualisation is derived from customer experiences within continuous consumption scenarios that are not characterised by recognised membership boundaries, implicit trajectories of membership and within-group hierarchies (Schau et al., 2009; Schouten and McAlexander, 1995).

10.1.1.3 Hedonic Value Dimensions

The three hedonic value dimensions in Table 57 arise from the recognition by consumers of pleasurable outcomes from customer experience. The hedonic dimensions were interpreted from outcomes described by respondents as positive due to their intrinsically pleasant nature. Specifically, participants described enjoyment (entertainment value), emotional and cognitive arousal (stimulation value) and the recognition of other consumers benefiting from a customer experience (altruistic gratification value) as hedonic outcomes from consumption. Unlike the restorative and actualising value dimensions, hedonic

dimensions arise from outcomes that are not characterised by higher order, abstract properties. Rather, consumers appreciate them as an end in themselves.

Support for the interpretation of hedonic value dimensions arises from Holbrook and Hirschman's (1982) description of consumer behaviour as partially directed towards the achievement of hedonic outcomes and Celsi et al.'s (1993) empirical identification of hedonic motives. Furthermore, Chitturi et al. (2008) provide empirical evidence of the positive influence of perceived hedonic benefits (e.g. delight) on customer satisfaction. It therefore follows from these previously derived insights that a consumer will view a hedonic outcome as positive, giving rise to a hedonic value dimension.

Hedonic dimensions of perceived value have previously been recognised in the extant theoretical typologies developed by Holbrook (1999) and Sheth et al. (1991). Again however, these existing typologies present less granularity of insight than is presented in Table 57. Previous value investigations (e.g. Babin et al., 1994; Chaudhuri and Holbrook, 2001) have sought to measure hedonic value perceptions. In these studies, however, hedonic value has been positioned as single dimension, contrasting in nature to utilitarian value and as reflecting the affective, emotional elements of overall value perceptions (Babin et al., 1994; Chaudhuri and Holbrook, 2001). The findings of this investigation extend this notion of hedonic value as a single dimension and provide detailed insights into the nature of hedonic value perceptions. This contribution to the value domain is discussed in greater detail in Chapter 11.

10.1.2 Modes of Value Perception

10.1.2.1 Individual Value Dimensions

The individual mode of value perception in Table 57 captures the recognition of value by individual consumers, irrespective of the extent to which their customer experience involves engagement with other parties. That is, outcomes from customer experiences are recognised by individuals, with no requirement for

inter-personal interaction. The resulting perceptions of value are perceived by and are thus relevant to that individual only.

The conceptualisation underlying this study describes value as arising from the outcomes of customer experience, where outcomes reflect the achievement of consumption goals. As discussed in Section 3.2.2, the notion of individual goal achievement giving rise to value perception was proposed by Woodruff (1997). However, as also noted in Section 3.2.2, Woodruff's (1997) goal-driven conceptualisation lacks any empirical derivation. The findings of this investigation therefore provide empirical support for the concept of value arising from individual goal achievement. Moreover, as Section 10.1.2.3 will highlight, the current study findings extend this notion beyond individual goals as proposed by Woodruff (1997), to include those that are shared and concurrently pursued by multiple consumers.

The previously derived, theoretical typologies of value (Holbrook, 1999; Sheth et al., 1991) also capture value as perceived by individual consumers. A further contribution arises, however, from the development within this study of greater depth and granularity of insight regarding the nature of value realised via this individual mode of perception. This is discussed further in Chapter 11.

10.1.2.2 Reflected Value Dimensions

Unlike the individual mode of perception, the reflected mode of value perception requires engagement between individuals. Specifically, a third party's response to an individual's customer experience stimulates that individual's value perception. The value perceived is therefore a reflection of the third party's response. Like the individual mode of perception, reflected value dimensions are perceived by individual consumers.

The notion that consumers are both aware of and place importance on the responses of others to their actions is echoed in previous literature. For example, the desire to portray a favourable identity to others, as described by Sirgy (1982) and Netemeyer et al. (1992), implies the evaluation of a consumer

by third parties that is in turn recognised and viewed as relevant by that consumer. Moreover, the influence of peer and reference groups on purchase decisions has been empirically evidenced (e.g. Bearden and Etzel, 1982; Childers and Rao, 1992; Han et al., 2010), with consumers observed as exhibiting preferences for products that they believe will create a favourable impression and avoiding products that will lead to negative evaluations. Consumers therefore seek and are aware of favourable responses from other consumers and it follows that any response by a third party to an individual's customer experience will be both recognised and appraised by the individual. Where a response is favourable it reflects a positive outcome from customer experience. Accordingly, as described by the conceptual framework in Figure 4, an enhanced perception of value will arise. In contrast, the perception by the consumer of an unfavourable response from a third party reflects a negative outcome of customer experience, with a subsequent reduction in the value perceived.

The observation of a reflected mode of value perception extends the current body of knowledge pertaining to third party influences on customer behaviour. Specifically, previous investigations have focussed predominantly on the influence of third parties' responses on consumer purchase decisions (e.g. Bearden and Etzel, 1982; Han et al., 2010). In contrast, the current study focuses on long-term, post-purchase consumption, thus highlighting the continued impact of third party influences on consumer perceptions after a specific product or brand has been selected.

This concept of value as perceived via a reflected mode is closely related in nature to other-oriented value, proposed by Holbrook (1999) as arising when an experience is valued "for someone else's sake, for how they react to it, or for the effect it has on them" (Holbrook, 1999, p.11). Sheth et al., (1991) also include a social value dimension that could intuitively be viewed as arising via a reflected mode of perception. This dimension is not explicitly defined in this manner however. Furthermore, as described in Section 3.2.1, Holbrook's conceptualisation of value is purely theoretical and Sheth et al.'s (1991)

typology lacks any empirical derivation. Within the one-dimensional consideration of value, Zeithaml (1988) provides empirical evidence of value perception, arising from the appreciation of others. However, rather than consider this as evidence of a reflected mode of perception, Zeithaml (1988) concludes from this observation that the value perceived by individuals is of a high level of abstraction. The findings of this study therefore extend this notion of an other-orientation within the customer value domain, providing empirical evidence of the impact of interpersonal relationships on value perception and greater granularity in respect of the dimensions perceived in a reflected manner. This contribution is discussed in further detail in Chapter 11.

10.1.2.3 Shared Value Dimensions

The shared mode of value perception is similar in nature to reflected perception as inter-personal engagement is required for value realisation. However, unlike both the individual and reflected modes of perception, shared value dimensions arising from a specific experience are perceived by multiple, interacting parties, rather than by an individual consumer. Specifically, shared perception arises when an outcome of customer experience is recognised by all interacting parties, giving rise to perceptions of value that are shared (albeit to potentially varying extents) by all parties.

Support for the interpretation of a shared mode of value perception arises from previous research by Epp and Price (2011) in which the desired achievement of shared goals was empirically identified as influencing a family's choice of activities during their annual holiday. It follows from Epp and Price's (2011) delineation of shared goals that their achievement will be viewed as a positive outcome by all the people for whom the goal is motivational, resulting in concurrent, shared perceptions of associated value. The findings of this investigation extend those of Epp and Price (2011), however, by highlighting the influence of shared goal achievement during long-term, consumption contexts, rather than at the point of consumption choice.

The notion of shared value perception is not acknowledged within the extant, theoretically derived value typologies (Holbrook, 1999; Sheth et al., 1991). The findings of this investigation therefore make a specific contribution to the value domain in identifying this previously overlooked facet of value perception. This is discussed in greater detail in Chapter 11.

10.1.3 Restorative Individual Value Dimensions

As Table 57 notes, six of the 16 value dimensions are restorative and recognised via the individual mode of perception: relaxation value, comfort value, companionship value, assured performance value, ease of use value and reduced expenditure value. The following Sections (10.1.3.1 to 10.1.3.6) describe these restorative individual value dimensions in turn.

10.1.3.1 Relaxation Value

Defined as *the extent to which a customer experience facilitates the process of unwinding and reducing tension*, relaxation value arises from customers' viewing of STV content, either in real time or on a time-shifted basis, with the latter being supported by the use of hard-drive recording technology. The following quotations provide examples of the description by participants of this value dimension:

"When I really fancy just winding down and watching TV and there's nothing on, because it's either repeats or things I don't want to see, and I've recorded stuff, that when I just think, yes, my time... relax" (Sharon, Interview 4)

"You come back from a bad day at work, you put the telly on and you sit there in silence watching the sports channel... you tend to calm down" (Lorraine, Interview 17)

“Everybody laughs at me because I watch all these cheesy American TV programs; but it’s just something light-hearted to get away from the day to day, really.” (Sara, Interview 28)

As these quotations indicate, a customer’s experience of STV results in outcomes, deemed to be positive due to the increased emotional or physical relaxation they encompass. As Table 57 highlights, relaxation value is realised via the individual mode of perception and this is supported by the above quotations, both of which highlight an element of solitude as contributing to the outcome’s positivity. That is, the realisation of relaxation value requires no third party involvement and is perceived solely by the individual consumer.

In addition to the data arising from this study, a desire for relaxation has been empirically identified as a motivator of TV consumption (Rubin, 1981). It therefore follows that an ability to unwind and reduce tension are viewed as positive outcomes from STV customer experiences, giving rise to a relaxation value dimension. Further support for relaxation as an outcome of TV usage is drawn from Csikszentmihalyi and Kubey (1981), who evidenced reduced levels of required concentration and cognitive engagement during periods of viewing. Their study is limited, however, by their focus on working adults. As Moschis (2007) notes, pressures, challenges and stress arise from a variety of normative roles, be they occupational, parental or marital. The study findings consequently extend those of Csikszentmihalyi and Kubey (1981) by identifying perceptions of relaxation value within a more diverse sample. For example, while the use of STV was noted as aiding relaxation among adults at the end of the working day (as highlighted by the above quotations), younger respondents described ‘chilling out’ as a positive outcome from their STV customer experience. Similarly, unemployed mothers described the benefits of taking a break from the multitude of household and family chores, indulging in some relaxing ‘me time’ with the help of STV. Furthermore, the extant, theoretically derived value typologies of Holbrook (1999) and Sheth (1991) do not recognise the potential for value to arise as a result of facilitated relaxation. A further contribution therefore arises from the empirical identification of a relationship

between enhanced relaxation and value perception. This is considered in further detail in Chapter 11.

10.1.3.2 Comfort Value

Comfort value is defined as *the extent to which a person perceives an experience as enabling a feeling of physical ease or well-being* and arises from the viewing of exclusive STV content within the home. The following two interview excerpts illustrate the expression of this value dimension:

“I watched the Champion’s League final – the Man U/Barcelona game – in the pub with my friends, because they insisted that, oh, you know, it’s the biggest match of the year, we’ve got to watch it with lots of other people. And, oh, it was miserable, you know, I was standing up, I was hot, I had to wait an absolute unreal amount of time between each beer. And in fact actually my friends and I we turned to each other quite a few times during the match just going, oh, can’t we just go home and watch it, you know, because you like to be surrounded by other people but I mean you can do that at home and sit there in the comfort of your sofa and know that food is only one takeaway menu away and you’ve got your beers there.” (Wesley, Interview 16)

“I’ve really gone to all the festivals, music festivals, and I’m at them, normally, all the time, like every festival there is, I’m at. But because I’m slowing down I just can’t do it any more, to be honest, drinking all.. well, for days on end, and stuff. And this weekend there was an advertisement for the arts channel, or something, where they’re showing all the live coverage of all the festivals, which is nice because I get to enjoy it at home and not have to sit in the mud, and what have you.” (Jemma, Interview 10)

As the quotations illustrate, STV customer experiences result in outcomes perceived as positive due to an inherent avoidance of physical discomfort, subsequently giving rise to perceptions of comfort value. Support for the

identification of the comfort value dimension arises from Maslow's hierarchy of needs (1943). Physiological needs, such as warmth, food, water and sleep (Maslow, 1943) reflect the most basic of human requirements, motivating behaviours as consumers seek to fulfil them. As such it follows that, where a customer experience results in perceptions of physical comfort, consumers will perceive this to be a positive and personally beneficial outcome. Comfort value is thus derived and like relaxation value, is perceived on an individual basis and requires no third party involvement.

The recognised importance of physical comfort to consumers is reflected in the efforts of providers of products such as footwear (Greensword et al., 2012) and clothing (Hugo and Van Aardt, 2012) and services such as passenger flights (Ciaccia and Sznclwar, 2012) and healthcare provision (Wu et al., 2012), who seek to maximise comfort levels through enhancing the quality of their offerings. As noted in Section 3.2.1, quality is a feature of a product or service, embedded in the offering through design characteristics and the extent to which they present excellence or superiority (Macdonald et al., 2011; Holbrook and Corfman, 1985, Zeithaml, 1988). The observations from this study differ from this understanding of comfort provision as an element of quality, however, as respondents within this research described comfort as arising in an indirect manner. That is, STV customer experiences facilitate the achievement of comfort, rather than providing it directly. The findings of this study therefore contribute to the extant understanding of comfort by articulating it in more abstract terms as a customer perceived dimension of value, rather than an embedded contributor to product or service quality. Furthermore, the previous, theoretically derived value typologies of Holbrook (1999) and Sheth (1991) do not recognise the potential for value to arise as a result of perceived physical comfort. A further contribution therefore arises from the empirical identification of a relationship between enhanced comfort and value perception, discussed further in Chapter 11.

10.1.3.3 Companionship Value

Defined as *the extent to which an experience is perceived as enabling a person to feel that they are not alone*, companionship was observed within the data to arise from the viewing by the customer of exclusive STV programming and from their use of STV-company provided broadband services. The following quotations illustrate the articulation of perceived companionship value:

“About two years’ ago, I was very, very, very, very poorly. Very poorly. And I was in bed for a long, long time. And without STV I would have gone nuts. Literally. I could have sat there and I could have read a book. But there’s only so many books you can read. I was just sitting there, I was really miserable, you can’t keep calling people up to chat, and it’s always the company... It is company as well. If I’m on my own sometimes, I’ll put it on, it’s just background noise.” (Claire, Interview 3)

“My wife suffers from agoraphobia, so she doesn’t go out at all. So using the broadband is how she contacts the world but without actually having to speak to anyone.” (Henry, Interview 40)

“When you get to the two/three in the morning, the chances are I’m still working so the TV’s on just to keep me company while she’s off sleeping” (Fred, Interview 8)

The above quotations highlight the recognition by study participants of outcomes perceived as positive due to their associated avoidance of loneliness. Loneliness is a potentially distressing psychological state, arising from isolation (e.g. due to age, disability or illness) and poor sociability (Lim and Kim, 2011). Extreme loneliness may result in psychological problems, such as depression and anxiety, and physical issues ranging from poor sleep to dementia and premature death (Rokach et al., 2012). Loneliness avoidance subsequently represents a key behavioural driving force (Lim and Kim, 2011). It therefore follows that outcomes in which feelings of loneliness are reduced or avoided are perceived as positive by respondents, giving rise to the dimension of companionship value.

As the quotations illustrate, outcomes of this nature arise in exceptional circumstances, as described by Claire and by Henry on behalf of his wife, for both of whom periods of illness resulted in extended isolation and potential long-term loneliness. Persistent companionship value subsequently arises from the STV consumption experiences. In addition, however, the interview excerpts highlight the occurrence of shorter-term perceptions of companionship value during periods of temporary solitude and within the respondents' day-to-day existence. For example, Claire refers to 'just background noise' when 'on her own sometimes' and Fred describes STV as 'keeping him company' while he works and his wife sleeps. These latter quotations imply perceptions of companionship value that are perhaps less extensively therapeutic than those arising during extended periods of isolation, but are nevertheless recognisable and beneficial to the individual consumer. By its nature, companionship value is an individually perceived dimension, arising in the absence of any engagement with third parties.

As with relaxation value, support for the interpretation of a companionship value dimension is derived from Rubin's (1981) study of TV viewing motives, in which "viewing for companionship" (Rubin, 1981, p. 148) was empirically identified as driving TV consumption. In addition, prior research has identified TV watching as a specific coping strategy, employed by consumers to reduce perceptions of loneliness (e.g. Rokach, 1998; Rokach and Brock, 1998). This has been observed as particularly prevalent among adolescents (Moore and Schultz, 1983) and the elderly (Lim and Kim, 2011) as a means of combating persistent feelings of loneliness. These findings further support the contention that perceptions of companionship value contribute to overall customer value, as illustrated in Table 57. However, the findings of this research extend those of Moore and Schultz (1983) and Lim and Kim (2011), by highlighting that companionship value may arise on both a temporary and persistent basis. In addition, the extant, theoretically derived value typologies of Holbrook (1999) and Sheth (1991) do not incorporate perceptions of value arising from companionship. A further contribution therefore arises from the empirical

identification within this study of a relationship between reduced loneliness and value perceptions. This is described in further detail in Chapter 11.

10.1.3.4 Assured Performance Value

The assured performance value dimension is defined as *the extent to which a customer experience enables a consumer to feel confident that a product will perform as desired*. Arising from the physical usage of STV technology, assured performance value is perceived when an outcome encompasses consumers' feeling secure in the knowledge that their STV facilities will function as required in the future, thus guaranteeing the continuation of their desired STV consumption activities. Assured performance value differs from the restorative dimensions described in Sections 10.1.3.1 to 10.1.3.3, as respondents typically recognised a perceived lack of or reduction in this value dimension, as the following quotations indicate:

"If anything happens to the box everything you have on it is gone. So you have to be wary of that, that's happened once. It wasn't pleasant."
(Colin, Interview 39)

"We have a bit of a problem with the TV: in bad weather the signal cracks up" (William, Interview 38)

"I do find that, if I am upstairs and have got a door closed, it will keep losing the internet, and I'll have to come down and reload, unplug that and plug it back in again." (Jemma, Interview 10)

As the above quotations highlight, experiences in which STV services fail to operate as desired result in outcomes perceived as negative by consumers, as captured by Colin's use of the phrase 'it wasn't pleasant' and William's specific reference to 'a problem'. These outcomes incorporate a feeling of reduced confidence in the future performance of the consumers' STV technology and in their subsequent ability to consume STV as desired. This is evidenced, for example, by Colin's reference to feeling 'wary'. Furthermore, both William and

Jemma describe continuous STV performance issues, implying an anticipation of future sub-optimal performance. Reduced perceptions of assured performance value subsequently arise.

Evidence of a customer response of a similar nature to assured performance value perception is observed within the literature discussing technology acceptance, providing support for the inclusion of this value dimension within Table 57. Parasuraman (2000) shows empirically that new technology is more readily adopted when consumers believe that it will perform consistently and as desired. Consequently, the realisation (or not) of consistent, desired functionality represents a positive (or negative) outcome of consumption, thus giving rise to assured performance value perceptions.

10.1.3.5 Ease of Use Value

Defined as *the extent to which an individual experiences effortless or uncomplicated consumption*, the ease of use value dimension, like assured performance value, arises from the consumers' physical interaction with the equipment central to STV consumption. The following interview excerpts describe the recognition by the respondents of enhanced and reduced ease of use value, respectively:

"It's so handy, you know, you can just press a button and record instead of you've got to set your DVD up and everything... it's just so easy"
(Suzanne, Interview 52)

"It will take you forever to just go deleting them all. You can't delete the whole lot, you can't block delete things, unfortunately. You can only go through one at a time, so you've got to sit there for hours deleting these programs" (Doreen, Interview 5)

In Suzanne's case, the outcome of the experience described (recording to a hard-drive facility) is described as positive due to the absence of any difficulty or complication in achieving the desired outcome. Enhanced ease of use value is

therefore perceived. In contrast however, Doreen describes the outcome of her STV customer experience negatively, as achieving the desired outcome (the deletion of programs from a hard drive) is time consuming and labour intensive. Doreen therefore perceives reduced ease of use value within her overall perception of the value arising from her STV customer experience.

Support for the interpretation of the ease of use value dimension can be drawn from the literature discussing the diffusion of novel technology. Parasuraman (2000), for example, evidences reduced consumer propensity to adopt new technology when it is perceived as being difficult or overwhelming to use. It can be logically assumed therefore, that ease of use is desirable, and represents a positive outcome from customer experience when technology is adopted. However, conflicting views regarding the longer-term, post-adoption relevance of ease of use can be found within the literature. Like Parasuraman (2000), Davis et al. (1989) observed anticipated user friendliness to be a facilitator of technology acceptance. However, they also noted that the influence of ease of use on usage intentions reduced over time, as people become accustomed to and skilled at using the relevant equipment. In contrast, Mick and Fournier (1998) identify enduring negative emotions among consumers from their long-term usage of technology, where continued difficulties in usage result in feelings of incompetence. The findings of the current study clearly evidence enduring ease of use value among established STV users, implying that, in this context at least, the importance of ease of use extends beyond the initial period of usage, as asserted by Mick and Fournier (1998).

10.1.3.6 Reduced Expenditure Value

Reduced expenditure value is defined as *the extent to which a consumer perceives an experience as being less expensive than an alternative* and arises when a customer experiences results in an outcome that avoids or reduces financial sacrifice. The following quotations illustrate:

“I use the download service occasionally for movies because it’s the same price as Blockbuster, if not a bit cheaper” (Patrick, Interview 23)

“Rather than going to a pub and paying £20 for an entrance fee or something you can just say, right, the fight’s £15 <on pay per view>. If everyone turns up at my house and buys me some beer then we’re square”. (Jeremy, Interview 51)

“You get the discount with having the complete package <TV, phone and broadband>” (Nicola, Interview 44)

In both the above quotations STV consumption experiences are described as resulting in lower financial outlays than would have been incurred in relation to alternative experiences. Consequently, reduced expenditure value arises in each case. As humans we experience an enduring desire for financial security and to feel unthreatened by economic harm (Schneider and Bowen, 1999). This assertion supports the interpretation of the reduced expenditure value dimension, as it implies that the recognition of an outcome in which financial spend is reduced or avoided will be viewed positively by a consumer.

As Table 57 shows, reduced expenditure value is categorised as an individually perceived value dimension. That is, its realisation requires no inter-personal engagement and it is recognised by individual consumers. Some evidence did emerge within the data of shared perceptions of reduced expenditure value, for example within financially inter-dependent couples. However, in the majority of cases, a single member of a household was the official subscriber and was therefore responsible for the negotiation and payment of the monthly subscription. As a consequence, reduced expenditure value was more overtly recognised by this individual bill-payer. This, and the observation that its perception is not dependent on consumer interaction with third parties, results in reduced expenditure value being categorised as an individual dimension.

It should be noted that the reduced expenditure value dimension is distinct from the concept of *value for money*, which describes the outcome of a cognitive trade-off of the quality or benefits perceived in a product relative to the sacrifice

perceived by paying the associated price (Monroe, 1979). By extension, in the context of this investigation, respondents will derive a perception of value for money from their trade-off of the overall perceived value arising from their STV customer experiences and their monthly subscription to the STV firm. That is, within the concept of value for money, financial spend represents a sacrifice that is both distinct from and serves as a moderator of overall value perceptions. In contrast, the reduced expenditure value dimension derived within this investigation arises from the recognition that by incurring the monthly subscription cost, financial spend can be avoided elsewhere. That is, a reduction in the sacrifice that is financial spend is viewed as a positive outcome, with associated perceived value.

The notion of reduced sacrifices giving rise to perceptions of value was posited by Woodall (2003), as described in Section 3.2.3. However, as Section 3.2.3 also notes, Woodall's model of value lacked any empirical derivation. Consequently, a contribution from this investigation arises in the form of empirical evidence of a relationship between reduced financial sacrifice and enhanced perceived value. Furthermore, the value typologies of Holbrook (1999) and Sheth et al., (1991) do not recognise the potential for value to arise as a result reduced expenditure. The current study findings therefore provide a more detailed and granular understanding of customer perceived value, as discussed in Chapter 11.

10.1.4 Restorative Reflected Value Dimensions

As Table 57 notes, two of the 16 value dimensions are restorative and recognised via the reflected mode of perception: reciprocity value and self-esteem value. The following sections (10.1.4.1 and 10.1.4.2) describe these restorative reflected value dimensions.

10.1.4.1 Reciprocity Value

In the case of the reciprocity value dimension, described as *the extent to which a consumer perceives their consumption of a product or service as appreciated by the providing firm*, interaction between the customer and the STV firm stimulates perceptions of increased or reduced value. This interaction may involve direct communication with an agent of the firm, e.g. via telephone, email or other written communication. Alternatively, the interaction can be indirect, arising from advertising or other marketing communications. Of the following three quotations, the first two illustrate perceptions of reduced reciprocity value. In the third excerpt, enhanced reciprocity is being described:

“I’ve obviously been with them for twenty years. Had every box going from analogue all the way through digital and now up to HD. Every September prices go up a couple of pounds. There’s never no... they never give anything back to customers.” (Barry, Interview 35, from real-time experience tracker data, referring to letter received from STV Co¹²)

“I mean we have everything with STV Co, the phone, the broadband, the television. Right? So it’s a complete package and then it works out at such a frightening price. And then what happened was we had an incident with the cabling and the dish and a fella came out, he put on a new dish. Now this was £40. And I just felt, oh... And I know they say oh get the protection, do this, do that, I think that if you have the full shaboodle with them, the whole kit and caboodle, everything, you know, including the kitchen sink with them I don’t think that they should be saying, you know, extra, extra again” (Colin, Interview 39)

“I got in touch with STV Co and they were unbelievably flexible in saying, “Do you know what, no problem. What about this for the next so and so time and then we’ll review it in six month’s time?” I was like, “Alright.” (Rajiv, Interview 37)

¹² In this and all quotations within Section 10.1, for reasons of confidentiality, ‘STV Co’ is used in place of the actual name of the STV company to whom all respondents subscribed.

As the first two quotations illustrate, engagement with the relevant STV company resulted in a negative outcome, whereby the customer perceived their long-term consumption as unappreciated by the providing firm. Reduced reciprocity value is therefore perceived in each case. In contrast, Rajiv's experience results in a positive outcome, whereby he feels appreciated by the STV company, leading to an enhanced perception of reciprocity value.

Support for the presence of a reciprocity value dimension within consumers' overall value perceptions can be drawn from justice theory. Justice theory posits that we, as consuming individuals, are motivated by a need to feel that we are being treated fairly (Lerner, 2003). This concept of justice is reflected within consumer considerations of service fairness (Seiders and Berry, 1998), in which customers appraise their interactions with firms and associated service processes on the basis of whether they were treated fairly throughout (Tax et al., 1998). Perceived injustice in service encounters is found to result in reduced customer satisfaction and the potential for negative emotional and relationally detrimental responses (Sparks and McColl-Kennedy, 2001; Surachartkumtonkun et al., 2013). The importance of perceived justice within service relationships therefore supports the derivation of a reciprocity value dimension, as the perception by a customer of being treated fairly (or unfairly) by their STV provider will logically reflect a positive (or negative) outcome from their customer experience.

The findings extend the perceived justice dialogue, however, for as previously specified, the presence of reciprocity value perceptions is observed in situations where there is no direct interaction with the STV company. For example, in addition to the examples provided within the relevant quotations, viewing an advertisement for new subscriber discounts produced perceptions of reduced reciprocity, as the respondents (as long-term subscribers) subsequently felt their consumption was not appreciated. Moreover, the provision of new and exclusive channels at no additional cost was viewed positively by respondents, enhancing reciprocity value perceptions. The concept of justice is therefore relevant throughout long term customer relationships, transcending those

elements of a customer experience characterised by direct interaction or service failure. In addition, the findings of the current investigation provide empirical evidence of the relationship between perceived justice and perceived value, previously unacknowledged within the extant value typologies (Holbrook, 1999; Sheth et al., 1991). This is discussed further in Chapter 11.

10.1.4.2 Self-Esteem Value

The self-esteem value dimension is defined as *the extent to which a customer experience supports a positive personal perception of self-worth*. Classified as a restorative value dimension within Table 57, enhanced self-esteem value is interpreted from outcomes described by participants as encompassing an avoidance of feelings of inferiority. As the following quotations highlight, this arises during interactions with friends or colleagues in which STV content is discussed. Self-esteem is therefore classified as a reflected form of value, as it arises from the perceived response of third parties to an individual consumer's STV customer experiences.

"It sounds a bit sad really, this, but I watch stuff on the telly, like the formula one or the sport, you know and then when I go to work, because that's something other people would watch. Everyone talks about that, don't they? It's a big talking point isn't it? And sometimes you feel a little bit left out if you haven't watched it. If I didn't have STV then I would never get chance to watch it" (Andrew, Interview 12)

"I think it's good socially as well. And if anybody tells you it's not, it is. At least I've got an opinion on things when we go out" (Claire, Interview 3)

"Somebody said, 'Have you watched this?' And I said, 'No' and they were all talking about it. And I felt a little bit excluded because I hadn't seen it and there was four of them talking about this whatever it was. And I thought oh I must remember to watch that" (Henry, Interview 40, from real-time experience tracker data, referring to conversation about STV)

As the quotations indicate, where STV customer experiences enable respondents to engage in discussions, negative feelings of being 'left out' (as described by Andrew) or excluded (as noted by Henry), that ultimately result in a sense of inferiority, are avoided. The result is a strengthened sense of self-worth and enhanced self-esteem value.

The self-esteem value dimension reflects the notion of consumers' pursuit of self-esteem needs (Maslow, 1943), achieved by the attainment of positive sense of self-worth (Rosenberg, 1965). Furthermore, the pursuit of self-esteem is a recognised influencer of consumption choices (Sirgy, 1982). Outcomes giving rise to maintained or enhanced respondent self-esteem will therefore be viewed as positive and personally beneficial, an extrapolation that logically supports the derivation of a self-esteem dimension of overall perceived value. However, whereas previous research into the influence of desired self-esteem as a motivator of behaviours is dominated by studies of point of sale decisions (e.g. Sirgy et al. 2000), the findings of the current study highlight the relevance of self-esteem considerations in a post-purchase, extended consumption scenario.

10.1.5 Restorative Shared Value Dimensions

As Table 57 notes, one of the 16 value dimensions is restorative and recognised via the shared mode of perception: household harmony value. Section 10.1.5.1 describes this restorative shared value dimension in detail.

10.1.5.1 Household Harmony Value

Household harmony value is defined as *the extent to which an experience is perceived as reducing conflict between members of a household* and arises when household members consume their shared STV resources in a manner that reduces or avoids discord between individuals. Multiple, diverse experiences give rise to household harmony value, including the use of multi-room facilities and hard drive recorders (so everyone can watch their favourite

shows, irrespective of timing) and the application of the pause facility during a program (enabling a party to speak without disrupting another person's viewing). The following interview excerpts highlight the presence of household harmony value within overall value perceptions:

"You don't really need to have an argument any more, do you, because you don't have...you know, one of you can just watch what you want to watch and then you can record the other. Much easier" (Neil, Interview 14)

Loretta: *"When he <Joseph, housemate> decides to talk, I can just pause it. Allow him to talk and then go, "Finished?" and go, "Okay"...."*

Joseph (in response to Loretta): *"Because she does get quite angry when you talk during her soaps."* (Loretta and Joseph, Interview 15)

As the above quotations highlight, outcomes from STV customer experiences are considered to be positive by multiple household members, due to their inherent avoidance or resolution of inter-personal conflict. Enhanced household harmony therefore arises via the shared mode of perception. In contrast, the following quotation highlights a reduction in perceived household harmony value. As Ken describes, while STV customer experiences result in the avoidance of conflict between him and his wife, a sense of separation simultaneously arises, potentially weakening their relationship.

"I'll think, actually there's something on, I know there's something else on that I want to watch, I'll just nip next door and ... And that could be it for the night then. It's very easy, and it's not meant, and all of a sudden you do actually feel quite guilty about it. And my wife will refer to it as 'We're on two different islands, one's in here, one's in there', and that's how it can feel sometimes, if you're not careful." (Ken, Interview 1)

Ken's concern over this situation is manifested in his use of the word 'guilty' and the phrase 'if you're not careful', highlighting the negativity of this outcome characterised by separation, and the associated reduction in his household harmony value perceptions.

Inter-personal conflict is one of the most studied elements of family relationships (Bradbury et al., 2001). Such conflict is inevitable due to household members' frequent sharing of living spaces and resources (Vuchinich, 1987) and their concurrent pursuit of potentially contrasting and conflicting individual goals (Bradbury et al., 2001). Conflict is typically harmless, with its resolution representing a normative and often constructive contribution to household communications (Burke et al., 2012). However, where conflict results in feelings of anger and resentment or in acrimonious verbalisation it may, if unresolved, be detrimental to the psychological well-being of household members, be they adult (Bradbury et al., 2012) or child (Burke et al., 2012). Ultimately, such conflict may erode or destroy inter-personal relationships with long-term implications for family members, such as reduced self-esteem (Rubin and Rubin, 1989). A family's ability to manage and overcome inter-personal conflicts is therefore important for the well-being of individual members (Charny, 1980). Consequently, the articulation by respondents of positive outcomes in which conflict is successfully managed is justifiably interpreted as enhanced perception of household harmony.

The findings of the current investigation extend the family conflict dialogue, as while previous studies have examined conflict resolution within family members bound by blood- or marriage-ties (e.g. Steinmetz, 1977; Straus, 1979; Vuchinich and Teachman, 1993), due to the sampling approach adopted within this study, household harmony perceptions are observed within groups of unrelated individuals within a given household. In addition, previous research has detailed the impact of family conflict on purchase decision-making (e.g. Epp and Price, 2011; Linnet, 2009). In contrast the findings presented here highlight on-going conflict avoidance and resolution during long-term, post-purchase product consumption. Furthermore, the extant customer value typologies (Holbrook,

1999; Sheth et al., 1991) do not recognise the potential for value perceptions to arise as a result of the reduction in household conflict. Consequently, the findings of this investigation make a further contribution in empirically identifying the relationship between household conflict and value perception. This is discussed further in Chapter 11.

10.1.6 Actualising Individual Value Dimensions

As Table 57 notes, two of the 16 value dimensions, recognised via the individual mode of perception, are actualising: control value and knowledge enhancement value. The following sections (10.1.6.1 and 10.1.6.2) describe these actualising individual value dimensions in turn.

10.1.6.1 Control Value

Control value is an individual value dimension, defined as *the extent to which a person perceives an experience as increasing their power to choose and influence their activities and outcomes*. Arising from outcomes in which respondents perceived personal empowerment, control value results from a diversity of customer experiences. These range from the viewing of exclusive content via the Internet to the using of a smart phone application to effect remote hard-drive recorder programming. In the following quotations respondents are articulating perceptions of control value:

Interviewer: "So, what do you like about having STV?"

Respondent: "The flexibility to watch basically what you want when you want." (Anna, Interview 5)

"I like to be organised, so STV gives me that ability to organise my time" (Greta, Interview 49)

"If you're watching live TV and you want a cup of tea you'll pause the program as is, go and make your tea. You won't wait until the adverts because that mechanism is in place. Then when the adverts go on I've

got two minutes in hand so I'll fast forward, skip them sort of thing"
(Trevor, Interview 19)

"It gives you flexibility to fit into your plans. You can go out AND watch your programs" (Suzanne, Interview 52)

In each of the above quotations, an outcome is being described as positive as the respondent is effectively furnished with an increased ability to control their activities. Enhanced control value is subsequently perceived. The value dimension of control is similar in nature to a number of constructs described within the psychology literature. Specifically, Mehrabian (1996) discusses the positive, transitory emotional state of *dominance*, characterised by an individual's feeling of having influence and control over their surroundings and other people. Skinner (1996) describes the *experience of control*, a beneficial feeling of exerting concerted efforts towards the achievement of a goal. Bandura (1982) discusses *self-efficacy*, a person's belief in their abilities to influence life-affecting events. These constructs share a common theme in highlighting the psychological benefits of a perceived ability to choose and influence activities and outcomes. As such, the assertion within this study that outcomes in which respondents perceive an enhanced level of control result in an equivalent perception of value is supported.

The influence of perceived control on consumer responses to their customer experiences has been studied in the context of encounters with service personnel. A perceived lack of control is observed as leading to negative responses and poorer customer satisfaction (Hui and Bateson, 1991; Surachartkumtonkun et al., 2013). The findings of this current study extend those arising from these previous investigations, however, through evidencing continuous perceptions of enhanced control from long-term consumption, rather than short-term perceptions from discrete service encounters. Furthermore, as the concept of enhanced power and influence as sources of value perception is currently neglected within the leading value typologies (Holbrook, 1999; Sheth, 1991), a specific contribution to the value literature arises from the empirical

identification of a relationship between consumer control and perceived value. This is discussed further in Chapter 11.

10.1.6.2 Knowledge Enhancement Value

Defined as *the extent to which an experience results in the receipt by a person of new information or insights*, knowledge enhancement value was observed within the qualitative data as arising from the viewing of exclusive programming, advertisements and program trailers. The following interview excerpts illustrate the description by respondents of perceived knowledge enhancement value:

“The news channels are excellent. If you don't just watch BBC, if you watch Fox, STV News, Bloomberg and you just get different right wing/left wing opinions and you can watch them religiously and get a completely different perspective on different reports. Especially like politically as well, which is great.” (Tom, Interview 19)

“I was doing a dissertation on the European Union and Parliamentary sovereignty in Britain and I went to the news section on STV and looked at the list of the news channels and I realised that they had the BBC Parliament and they were actually discussing the European Bill that was going through the House of Lords at the time and I thought, “If I didn't have STV I wouldn't have found this information” (Nicola, Interview 44)”

“I did text on one of the ads which was advertising the forthcoming films that were on which I thought was quite good. I like that because that gives you a preview of what's coming on” (Sharon, Interview 4, from real-time experience tracker data, referring to viewing a trailer)

“Like Ross Kemp on extreme world, okay I saw the billboard and I came straight home and I recorded it. So they are really quite informative.” (Andy, Interview 11, from real-time experience tracker data, referring to a billboard advert)

The above quotations share a common theme in describing the receipt of information as a positive outcome from STV customer experiences. Enhanced knowledge enhancement value is subsequently perceived. The enhancement of personal knowledge represents an objective frequently pursued by consumers. For instance, the desire for enhanced knowledge may arise within purchase decision-making scenarios. Punj and Staelin (1983), for example, provide empirical evidence of consumers' reliance on new information when selecting consumer durables. Alternatively, enhanced knowledge of a specific consumption activity may be sought by a consumer in order to enhance their future experiences, as evidenced by Clarkson et al. (2013). In contrast to these scenario-specific, purposeful knowledge requirements, Hirschman (1980) describes the desire for improved knowledge as innate and continuous, beginning in infancy and evidenced by novelty seeking behaviours. Hirschman (1980) contends that such behaviours reflect a fundamental need for self-preservation. Specifically, enhanced knowledge of a general nature may be accrued to enable future, currently unspecified problem solving endeavours, rather than immediate purchase or other consumption-related goals.

Given this desire for personal knowledge enhancement, it follows logically that customers will view outcomes as positive where knowledge is subsequently enhanced and will experience related perceptions of value. Consequently, the inclusion of a knowledge enhancement dimension within Table 57 is supported. Furthermore, the findings of this investigation make a contribution to the dialogue concerning the customer desire for knowledge by highlighting empirically that consumers perceive value from the enhancement of both purposeful and general forms of knowledge. As the above quotations highlight, positive outcomes in the form of insights pertaining to future viewing opportunities give rise to knowledge enhancement value from purposeful knowledge. In contrast, the watching of news channels so as to be generally well informed provides knowledge enhancement value from more general insights.

10.1.7 Actualising Reflected Value Dimension

One of the value dimensions in Table 57 is recognised via the reflected mode and is of an actualising type of perception: status value. The following Section (10.1.7.1) describes this actualising reflected value dimension in detail.

10.1.7.1 Status Value

Status value is defined as *the extent to which an individual perceives an experience as resulting in their being highly thought of by others*. As Table 57 shows, status value is classified as a reflected dimension, as it is perceived by individual consumers yet requires interaction with third parties for its realisation. As the definition of status value highlights, perceptions are a reflection of third party responses in which they convey respect for or approval of the consumer. Respondents perceived status value as arising from the discussion of STV with peers and from the more holistic experience of simply being an STV subscriber. The following quotations illustrate:

“There is a sort of cache to be able to, when you’re talking to friends, for them to be able to tell you or you to be able to tell them that you’ve found something unusual, in a different place ... “I found this great program on Channel 397” or whatever, that you’d never seen before” (Ewen, Interview 31)

“I got a much better email address. You know, instead of having dots and dashes and, you know, it all broken up, it’s just my whole name and then STV.com, so I thought it was quite handy to me...it’s easy to say to people, you know, what’s your email and you can just say myname@STV.com, or whatever... it sounds more impressive, you know, than having something that’s all broken up.” (Dermot, Interview 2)

Interviewer (to Harry): so the person who has <alternative STV co>, versus the person who has STV Co. How are they different?

Harry: Less well off! “Pikeys!”¹³ (Harry, Interview 10)

As Ewen highlights, evoking increased respect from your peers as a result of your STV experiences constitutes a positive, status value-generating outcome. In contrast, Dermot and Harry perceive status value as arising from their position as STV subscribers, with associated respect from peers assumed rather than overtly observed through engagement. Worthy of further note is Harry’s view of the different levels of status associated with subscribing to an alternative STV provider. This suggests that, in addition to arising from an individual’s commitment to STV consumption, status value arises from a consumer’s specific choice of STV company.

The need to achieve and express status is described as a motivating force of consumer behaviour (Dubois et al., 2012; Nunes, 2009; Veblen, 1975), an assertion that supports the interpretation of a status value dimension as arising from associated positive outcomes. Previous consumer research has highlighted the use of tangible, visible products in signalling status to others, be they luxury, conspicuous items such as designer handbags (Han et al., 2010) or more mundane, mass-market offerings, consumed in a certain status-imbuing manner. Dubois et al. (2012), for instance, evidence the consumption of large food portions as a means of signalling status. The findings of this investigation consequently make an incremental contribution to the status-related dialogue by highlighting the consumption of invisible, intangible offerings in signalling status.

10.1.8 Shared Actualising Value Dimension

One of the value dimensions in Table 57 is recognised via the shared mode and is of an actualising type of perception: relationship support value. Section 10.1.8.1 describes this shared actualising value dimension in detail.

¹³ The term ‘pikey’ is a pejorative phrase, used to describe someone of lower affluence, sophistication or social class.

10.1.8.1 Relationship Support Value

Defined as *the extent to which an individual perceives an experience as facilitating the development and maintenance of important interpersonal relationships*, relationship support value arises from the shared viewing of exclusive STV content, the use of recording facilities to enable shared viewing and the discussion between consumers of STV content. As Table 57 shows, relationship support value is a shared value dimension. That is, an element of interpersonal interaction within a customer experience is required for its emergence and multiple parties subsequently perceive relationship support value as arising from that experience.

In the following quotations, Joseph highlights the use of STV recording functionality in enabling shared viewing within his household and Ewen describes the importance of viewing STV content with his girlfriend for the development and maintenance of their relationship. In both instances, STV customer experiences have enhanced important interpersonal relationships, resulting in perceptions by Joseph and his housemate, and Ewen and his girlfriend of relationship support value.

STV is definitely a magnet to bring people into the one room, and because there's only the one telly and one box in this house, it does bring us to the same place... I would assume the recording thing gives you more independence from it, but actually that gave us the opportunity to all sit down together (Joseph, Interview 15)

I guess one part of being a couple is finding mutual interests, and there has always been... you know, some TV programs have always been an area of mutual interest and enjoyment for us. Things that we like to do together. When we first got together she hadn't seen <Series exclusive to STV> and I told her, "It's really fun, it's ridiculous but it's fun", and she really got into it and got addicted to it. And so now... that was sort of our thing from then and then when subsequent new series on that came on then that was... that was like our thing, we would watch it

together, neither of us would watch them alone, we would want to kind of share the story (Ewen, Interview 31)

The following interview excerpts highlight the potential for relationship support value to arise from conversations in which STV is discussed. In these situations and unlike those described in the previous two quotations, consumers are not physically watching TV together. However, in both cases important relationships are maintained or enhanced. As Wesley describes, STV content provides a topic of conversation in the absence of any immediately obvious common ground, facilitating communication between peers and supporting inter-personal relationships. In contrast, Rita describes STV as a frequent topic of conversation and a mutual interest with a close friend. Through her use of the word 'share' she captures the mutual, shared nature of this value perception, as both Rita and her friend, Tina, will perceive the outcome of their STV experiences as positive.

"At work, you know, there's a few people that you don't see every day and it's nice to have that topic of conversation you can always fall back on of, "Oh, yeah, I've finally got round to watching that show, it's so good, isn't it?", you know, and you talk about particular plot points or whatever, and that's quite a nice sort of thing to have in common." (Wesley, Interview 46)

I'm sort of hooked on that program. I don't know why. It's just a program, but I do enjoy watching it. And I have a friend, Tina, who's also the same as me, so it's great. We share. We do. I'll say to her, "Oh, I've watched it in advance", and she'll say, "Oh, don't tell me, don't tell me". ((laughs)) So we two, we are... we love it. So we share. And then when we have watched the same thing then we discuss it. (Rita, Interview 11)

The relationship support value dimension shares key characteristics with the construct of social capital. A non-monetary form of capital (Portes, 1998), social capital refers to the ability of an individual to derive benefits from exercising their relational resources, which are embedded within their personal

connections (Portes, 1998; Putnam, 1995a; Tsai and Ghoshal, 1998). The benefits of social capital to the consumer are varied, ranging from enhanced professional achievement to improved family relationships. Customer experiences that result in enhanced inter-personal relationships will logically be viewed as driving personally beneficial outcomes, as the individual's social capital is ultimately enhanced. The interpreted perceptions of relationship support value therefore appear valid.

Worthy of further note is the assertion of Putnam (1995b) that social capital is declining (in the USA), in part as a result of the increase in TV viewing. As an individual pastime, Putnam (1995b) propounds that TV consumption serves to hinder the development of inter-personal networks from which social capital arises. In contrast, however, the findings of this investigation suggest that STV consumption-related customer experiences serve to support the development of relational networks. In addition to this specific contribution to the social capital dialogue, a contribution to the value domain arises as the relationship between enhanced and maintained inter-personal relationships and value perceptions is currently unacknowledged within the previously derived value typologies (Holbrook, 1999; Sheth et al., 1991).

10.1.9 Hedonic Individual Value Dimensions

As Table 57 notes, two of the 16 value dimensions are hedonic and recognised via the individual mode of perception: entertainment value and stimulation value. The following sections (10.1.9.1 and 10.1.9.2) describe these hedonic individual value dimensions.

10.1.9.1 Entertainment Value

Defined as *the extent to which an individual perceives a sense of enjoyment from a customer experience*, perceptions of entertainment value arise from the viewing of STV content and the resulting sense of pleasure arising from that particular customer experience. As the following quotations show, respondents

typically identified the availability of a variety of programs and channels as key to the achievement of this positive outcome.

“What do I like? It’s the variety I guess, seeing all the different options to watch. There’s always something you can watch, even if it is an old movie or something that you’ve seen loads of times before.” (Shaun, Interview 6)

“It would be unfair for me to say that I don’t just flick through most channels and watch a big variety of stuff. I mean I watch some just standard entertainment shows, documentaries as well. If there’s a movie... if I’m just flicking around, if it’s a movie that I recognise, that I’ve seen before, then I’ll watch it.” (Amy, Interview 60)

“Well <exclusive program> is only on STV isn’t it? So we can have that. We’re pleased that we’ve got it so we can carry on watching it. I remember thinking ‘good job we’ve got STV because otherwise we wouldn’t be able to watch it anymore’.” (Vivian, Interview 9)

In the above quotations, viewing is not described as specifically cognitively or emotionally stimulating or as knowledge enhancing, as evidenced by Amy’s use of the phrase ‘standard entertainment’ and Shaun’s reference to viewing repeated shows and movies. The outcomes underpinning the entertainment value dimension therefore differ in nature from those giving rise to stimulation (Section 10.2.3.2) or knowledge enhancement (Section 10.2.2.2) value perceptions, as they lack an element of arousal or novelty, respectively. The resulting enjoyment is nonetheless evident, for instance, in Vivian’s recollection of being ‘pleased’ that she and her husband could continue to watch a particular show.

As Table 57 highlights, entertainment value is classified as an individual dimension. It seems feasible, however, that entertainment value may arise in shared form, for example where household members watch STV together, giving rise to positive outcomes and associated value perceived by all involved. Indeed, the quotation from Vivian supports this, through her references to ‘we’

as opposed to 'I'. However, while shared entertainment value may arise, it is likely to be subordinate to perceptions of relationship support value. That is, shared perceptions of entertainment value will be viewed as positive outcomes that are instrumental rather than terminal in nature, as they subsequently enhance the relationship between consumers. This is evidenced in the following quotation, in which the respondent (Malcolm) recognises the potential for shared enjoyment, but then identifies the value arising as relationship enhancement through his reference to a 'social thing':

"It is nice when everybody's watching the same thing and enjoying it. It's a bit like a social thing." (Malcolm, Interview 16)

As the above excerpts highlight, outcomes from STV experiences are felt to be positive when they encompass a sense of enjoyment. The data also yielded evidence of reduced entertainment value perceptions, when STV customer experiences resulted in low levels of enjoyment. The following quotation illustrates:

"Even though we've got all the STV channels you still get to some points where there's nothing on that you want to watch." (Martin, Interview 25)

Support for the interpretation within this study of an entertainment value dimension is derived from Rubin's (1981) study of TV viewing motives. Specifically, "viewing for entertainment/enjoyment" (Rubin, 1981, p. 149) is empirically identified as an incentive for TV consumption. It can consequently be inferred that entertainment is a desirable and therefore positive outcome of STV consumption, giving rise to perceptions of entertainment value.

10.1.9.2 Stimulation Value

The stimulation value dimension is defined as *the extent to which a consumer experiences cognitive or emotional arousal from their customer experience*. Within this investigation, stimulation value is interpreted from outcomes arising from the respondents' personal engagement with a televised show or event,

and from their viewing of a diverse, exclusive TV content. The following interview excerpts capture the articulation of stimulation value perceptions by participants:

“It’s informative isn’t it? It makes you feel happy sometimes doesn’t it? Sometimes it makes you cry if you watch something sad.” (Trina, Interview 16)

“That’s the biggest thing with live sport it’s being there for all the ups and downs. And even if you manage to shield yourself from all of the results until you watch the highlights it’s still a case of, well, it’s happened already so...in some ways you feel like you’ve got a little bit of influence over the actual score if you watch it as it happens” (Wesley, Interview 46)

“<I like> the sheer choice that I can watch a show about whales and sharks and things that I’m truly fascinated by but then at the same time I can go and watch gangsters from the 1940s you know, or the 1950s, whenever prohibition was. But yeah, or you know I can watch some sport... Yeah, I think it’s such a melting pot of different choices...” (Dale, Interview 48)

“It was very exciting to get the channel. To be watching new American dramas on TV. Something you wouldn’t usually get. Something that you haven’t had before.” (Greta, Interview 49)

As the quotations by Trina and Wesley show, stimulation value arises from the cognitive or emotional engagement of the respondent with the STV content viewed. The subsequent stimulation is perceived as a positive outcome of this experience, giving rise to stimulation value. Support for the interpretation of a stimulation value dimension exists in the form of evidence of the desire for mental and emotional stimulation from TV, as highlighted by Rubin (1981) as a motivator of TV consumption. Mental and emotional stimulation thus present desired outcomes, and it follows that their realisation will be viewed positively by consumers, giving rise to associated perceptions of value.

Further support for the presence of a stimulation dimension within overall perceptions of value arises from a comparison of stimulation value with the concept of flow. Customers achieve a state of flow when they become totally involved and absorbed in an activity, resulting in intense cognitive and affective stimulation (Csikszentmihalyi, 1974). This has been shown to be a desirable and rewarding experience (Celsi et al., 1993). Similarities therefore exist between stimulation value and flow in the form of desirable cognitive and emotional stimulation, described by Trina and Wesley in the above interview excerpts. Flow is arguably a more complex construct than stimulation value however, with the former being described as encompassing a perception of being in charge of one's own destiny, a sense of exhilaration and deep enjoyment (Csikszentmihalyi, 1974). Due to the nature of STV customer experiences, there is potentially limited scope for deep-rooted perceptions of controlling one's destiny. Nonetheless, in his quotation, Wesley refers to a perceived ability to influence the outcome of a sporting event. The data from this investigation therefore suggest that customer experiences within the context of STV consumption give rise to a pre- or partial flow state, from which perceptions of stimulation value arise. The previously defined value typologies of Holbrook (1999) and Sheth et al. (1991) do not acknowledge value as arising from cognitive or emotional stimulation. As such, in addition to identifying a specific variation of flow, a contribution to the value domain arises from the empirical identification of a relationship between the achievement of flow (albeit in a pre- or partial form) and customer perceived value. This is discussed in greater detail in Chapter 11.

The quotations by Dale and Greta highlight the derivation of stimulation value from experiences in which consumers watch a diversity of programming, or access new STV content. Insights from the variety-seeking behaviour literature subsequently add further support to the inclusion of a stimulation value dimension within Table 57. Linked to a desire for increased cognitive stimulation, variety-seeking behaviour entails consumers' switching between familiar alternatives (products, services or activities) or choosing to consume something entirely new (McAllister and Pessemier, 1982). The findings of this

study reflect a similar relationship between watching a variety of exclusive STV content and experiencing something new (e.g. live sport, high definition TV or a previously unseen show), and positive outcomes in the form of increased stimulation, from which a perception of stimulation value arises.

10.1.10 Hedonic Reflected Value Dimensions

Table 57 highlights that one of the 16 value dimensions is hedonic and recognised via the reflected mode of perception: altruistic gratification value. In the following section (10.1.10.1), this hedonic reflected value dimension is described.

10.1.10.1 Altruistic Gratification Value

Altruistic gratification value is defined as *the extent to which an individual perceives pleasure when a third party benefits from customer experience*. This dimension is derived from outcomes described positively by respondents as they encompass a sense of pleasure, specifically arising from the respondents' observation that they are in some way, through their STV customer experience, facilitating the enhancement of value derived by third parties from STV. As Table 57 illustrates, altruistic gratification is a reflected dimension. As such, inter-personal interaction is required for its realisation, yet altruistic gratification value is perceived by an individual; the interacting parties do not share this value perception. Rather, the third parties involved in the interaction perceive an alternative, individual dimension of value.

For example, parents within the research sample described the outcome of their STV subscription as incorporating a sense of pleasure when STV benefitted their children in some way. This is illustrated in the following quotations, in which Doreen and Bruce both describe perceptions of altruistic gratification value, arising from their awareness of the enhanced self-esteem (Doreen) and status (Bruce) value perceived by their offspring.

"I just remember when I was a kid and the pressure to watch certain programs. And I had a set bedtime, and people were going to bed later than me. Charlie's Angels springs to mind: that was on I think at nine o'clock and my bedtime was nine. So, you had to try and make it up that you'd watched it. And Anna likes the Apprentice, and they talk about that at school, and that used to be on quite late and that was her bedtime at half nine, you see. I always used to say to her: record it in the morning and then you can catch up and go to school and talk about it. So, for me I'm quite happy because I know when I was a kid it was what I was missing out on." (Doreen, Interview 5)

"The children take things for granted to a certain extent. Because they ... when they're at school, when they... they talk with their friends, "Oh, so-and-so wants to come round and watch this film on Premiere, because they haven't got it". They're chuffed to bits with things like that. Because, you know, they're the king of the castle and they can do it. As long as they're happy, I'm happy. You know?" (Bruce, Interview 34)

The data also yielded evidence of perceived altruistic gratification value among older or adult offspring in respect of their parents. This provides a contrast with the situations captured within the previous two quotations, as it highlights the emergence of altruistic gratification value from interactions between parties living in different houses. The following interview excerpts highlight:

"For some reason my mother's box has some little glitch. She sets up to record something but it fails a lot. I don't know why that is. So I have to find when they're repeated and put them on my one. Or re-put them on my one when the repeat is. <I like to> make sure she's happy, you know, she doesn't miss her shows. Because I know she likes her shows." (Barry, Interview 35)

"I moved my mum from Perivale out to Carpenders Park which is only about a mile away from here, and when she moved in the first thing I actually said to her is get this in, because she was feeling restricted and the digibox wasn't working, so we got it in to give her that more

freedom. Because now she was on her own it was more to stimulate her mind, documentaries, that sort of thing, so keeps her thinking. (Fred, Interview 8)

Within the scenarios described by Barry and Fred, and unlike those depicted by Doreen and Bruce, altruistic gratification value is not derived from allowing a third party to use the respondent's STV service directly. Rather, Barry uses the hard-drive recorder in order to create a 'back up' and protect his mother's desired viewing. Fred derives value from recommending STV to his mother. The data therefore highlights a variety of interactions within an overall customer experience from which altruistic gratification value may ultimately result.

Altruistic gratification value is similar in nature to the concept within economic theory of 'warm-glow', defined by Andreoni (1990) as a positive feeling perceived by an individual as a result of altruistic (e.g. charitable) behaviours. Discussions of consumer gift-giving behaviours echo this notion of 'pleasure from giving', identifying an element of agonism (a desire to maximise one's own personal satisfaction) within the motivations of givers (Sherry, 1983). As such the incorporation of an altruistic gratification dimension within a model of perceived value is supported. The findings of this study present novel insight, however, as in contrast with traditional gift-giving scenarios (Belk and Coon, 1993), altruistic gratification may arise in the absence of any ritual or physical exchange of items. For example, as described above by Doreen, the sanctioning by a parent of a child's use of STV recording technology results in heightened perceptions of altruistic gratification. Furthermore, the data highlight the enactment of altruistic motivations, associated positive outcomes and resulting value perceptions within the context of shared and continuous consumption of household resources, a notion previously excluded from the domain of gift-giving and associated altruistic behaviours (Belk and Coon, 1993).

10.2 Value-Generating Interactions

Continuous reference has been made throughout the presentation of value dimensions in Section 10.1 to the specific interactions occurring within a holistic customer experience, from which outcomes and associated value perceptions arise. A summary of these value-generating interactions and resulting value dimensions is presented in Table 58, on page 201.

While an analysis of the customer experience underlying perceptions of value does not form part of the primary aims of this research (as presented in Chapter 8), these findings are of interest as they highlight the role of both holistic (e.g. having an STV subscription) and discrete (e.g. viewing exclusive STV content) interactions in value perception. That is, the source of value realisation extends beyond the recognition of product attributes at the point of product purchase or usage, as asserted within the value literature by Sheth et al. (2001) and Woodruff (1997). Empirical support is subsequently provided for the proposal within the service dominant logic described in Section 5.2, that rather than being embedded within a product or service through design, value arises throughout the entire process of consumption (Lusch and Vargo, 2006; Prahalad and Ramaswamy, 2004). However, while the service dominant logic subsequently describes value as 'value-in-use' (Lusch and Vargo, 2006), as Table 58 highlights, the value generating interactions identified within this study include those for which no actual usage of an STV offering is required. For instance, discussing STV with others need not entail contact with or usage of any element of an STV or its proposition. Consequently, justification arises for the decision to adopt the term 'value' rather than 'value-in-use' within the revised conceptualisation (Figure 4), as value clearly arises from interactions in addition to those involving actual usage.

Furthermore, the discrete interactions in Table 58 include both direct (interactions with content, technology or STV personnel) and indirect (discussion STV with others) variations. That is, value realisation by consumers entails the integration of multiple diverse resources, from STV technology to interpersonal relationships. This is consistent with and provides empirically

derived support for the concept of resource integration (Vargo and Lusch, 2008; Payne et al., 2008), proposed within the service dominant logic as fundamental to value realisation, yet lacking in empirical backing. Moreover, the observation of both direct and indirect interactions supports the argument within the customer experience literature, that customer experience extends beyond those interactions under the direct control of the firm. As described in Chapter 4, the customer experience concept is currently under-researched (Verhoef et al., 2009) and the findings from this sub-analysis of empirical data present a novel contribution to knowledge of this construct, supporting the emergent customer-centric perspective described in Section 4.2.

In addition to these specific contributions to the service dominant logic and customer experience dialogue, the observation of a diversity of value-generating interactions presents implications for knowledge of value, in the form of empirically derived insights regarding the source of value perception. This is described in greater detail in Chapter 11.

Table 58: Value-Generating Interactions

Interaction			Value Dimensions Arising
Holistic	Having an STV Subscription		Status Reduced Expenditure Altruistic Gratification
Discrete	Interactions with STV Content	Viewing exclusive content alone	Entertainment Relaxation Stimulation Knowledge Enhancement Companionship Self-Esteem
		Viewing exclusive content with others	Relationship Support Status
		Viewing adverts and trailers	Knowledge Enhancement Reciprocity
		Viewing via online platform	Control
	Interactions with STV Technology	Using hard-drive recorder	Household Harmony Relationship Support Control Ease of Use Assured Performance
		Using multi-room	Household Harmony Control Ease of Use Assured Performance
		Using smart phone app	Control Ease of Use Assured Performance
		Using live TV pause, rewind and fast-forward	Control Household Harmony Ease of Use Assured Performance
		Using STV-company broadband	Assured Performance Status
	Interactions with People	Discussing STV with others	Relationship Support Status Self-Esteem
		Interacting with STV company personnel	Reciprocity

10.3 Value Dimension Scales

As Figure 7 illustrates, step 3 of the overall research process sought to develop a series of scales with which to measure customer perceptions of value at the first-order dimension level. The analysis described in Section 9.5.1.5 subsequently gave rise to 16 robust, parsimonious value dimensions scales as well as an overall value scale. A description of the resulting scales is presented in Section 10.3.1, with evidence of their psychometric properties (unidimensionality, reliability and (where possible) their convergent validity), derived from the analysis of data gathered during step 3 of the overall research process (see Figure 7) and analysed as described in Section 9.5.1.5. In Section 10.3.2 the discriminant and nomological validity of the 17 scales is discussed. Finally, Section 10.3.3 presents further evidence of scale reliability and validity, derived from the PLS-SEM analysis of data captured during step 4 of the research process.

10.3.1 Measurement Items and Scale Psychometric Properties

Of the 17 scales, eight comprised three Likert scale items with the remaining nine composed of four items. The three-item scales are presented in Table 59 (pages 204 and 205), with the output of analyses undertaken in deriving each scale from the data. The four-item measures are similarly presented in Table 60 (pages 206 to 208).

As Table 59 highlights, when examined using exploratory factor analysis (principal component analysis) and samples 1 and 2, all the three-item scales account for more than 60% of the variance within the data. This exceeds the threshold proposed by Hair et al. (2006) as indicative of unidimensionality within each measure. All Cronbach's alpha statistics were consistently in excess of the 0.70 minimum (Churchill, 1979), from which it can be inferred that the three-item scales present sufficient reliability in the form of internal consistency. Table 60 presents the evidence of four-item scale unidimensionality and reliability derived from sample 1 analysis. This is reconfirmed via the fit

statistics derived from sample 2 CFAs, and confirmed construct reliability and convergent validity in each case. The only exception is the companionship value scale, the analysis of which produced a non-significant χ^2 and an RMSEA above the 0.08 threshold (Hair et al., 2006). However, Hair et al. (2006) note the potential for non-significant χ^2 statistics to arise where an analysis examines fewer than twelve variables and, in view of the other acceptable fit statistics, the RMSEA was not felt to be sufficiently high so as to imply a substandard scale.

Table 59: Three-Item Value Dimension and Overall Value Scales

Value Dimension	Scale Items ¹⁴	Sample 1 Analysis		Sample 2 Analysis	
		% Variance (EFA)	Cronbach's Alpha	% Variance (EFA)	Cronbach's Alpha
		> 60%	> 0.70	> 60%	> 0.70
Relaxation	My STVco package helps me relax STVco makes it easy for me to unwind Relaxation is easy because of my STVco package	77.733	0.871	77.486	0.862
Comfort	Having STVco means I can watch TV in comfort Watching TV is more physically comfortable because I have STVco. Having STVco means I can be entertained in the comfort of my own home.	66.870	0.747	68.447	0.757
Status	People respect me because I have STVco I am highly thought of by other people because I have STVco My social standing is better because I have STVco	82.369	0.893	79.634	0.870
Reduced Expenditure	I save money because of STVco The benefits I get from STVco would cost more from other providers Having STVco is cheaper than paying for other types of entertainment	76.054	0.842	74.378	0.826
Ease of Use	It is easy to get my STVco system to do what I want it to do I am used to using STVco Using STVco's technology is hassle free	65.809	0.740	74.619	0.829
Reciprocity	STVco values me as a customer STVco is grateful to me for being a customer STVco appreciates my commitment to them.	80.393	0.877	79.795	0.873

¹⁴ In each instance and in all scales (3 and 4-item), 'STVco' is replaced with the name of the respondent's current provider of STV services

Table 59 continued: Three-Item Value Dimension and Overall Value Scales

Value Dimension	Scale Items	Sample 1 Analysis		Sample 2 Analysis	
		% Variance (EFA)	Cronbach's Alpha	% Variance (EFA)	Cronbach's Alpha
		> 60%	> 0.70	> 60%	> 0.70
Assured Performance	The technology I have from STVco is reliable I trust my STVco system not to fail I have confidence in the technology I have from STVco.	79.161	0.868	82.284	0.889
Overall Value	Overall I think I get a lot of benefits from STVco Overall I benefit a lot from having STVco Overall I feel I get a lot of value from STVco	79.581	0.870	80.455	0.877

Table 60: Four-Item Value Dimension Scales

Value Dimension	Scale Items	Sample 1 Analysis		Sample 2 Analysis					
		% Variance (EFA)	Cronbach's Alpha	Chi ² (sig)	CFI	TLI	RMSEA	Construct Reliability	Convergent Validity
		> 60%	>0.70	Low ($p>0.05$)	>0.97	>0.97	<0.08	> 0.70	> 0.50
Entertainment	STVco provides me with entertainment I get enjoyment from my STVco package STVco provides entertainment when I've got nothing to do STVco helps me spend time in an enjoyable way	68.270	0.844	0.233 (0.893)	1.000	1.013	0.000	0.79	0.63
Stimulation	Because I've got STVco, I get more emotionally involved with what I'm watching I get excitement from my STVco package STVco helps me feel exhilarated Because I have STVco I can become totally absorbed in what I'm doing	73.073	0.876	1.478 (0.477)	1.000	1.004	0.000	0.71	0.61
Companion-ship	My STVco package provides company when I've got no one to talk to. I don't feel alone because I have STVco STVco provides me with companionship Having STVco helps me feel less lonely	77.485	0.903	7.264 (0.026)	0.989	0.968	0.111	0.74	0.68
Knowledge Enhancement	STVco helps me to be knowledgeable I keep my knowledge up to date with STVco I learn new things from my STVco service STVco helps me learn about things that are happening in the world.	68.895	0.849	1.284 (0.526)	1.000	1.005	0.000	0.76	0.63

Table 60 continued: Four-Item Value Dimension Scales

Value Dimension	Scale Items	Sample 1 Analysis		Sample 2 Analysis					
		% Variance (EFA)	Cronbach's Alpha	Chi ² (sig)	CFI	TLI	RMSEA	Construct Reliability	Convergent Validity
		> 60%	>0.70	Low ($p>0.05$)	>0.97	>0.97	<0.08	> 0.70	> 0.50
Household Harmony	Having an STVco package reduces conflict between people at home I have fewer arguments because of STVco Relationships at home are more peaceful because of STVco People in my home argue less because of STVco	75.470	0.892	0.220 (0.896)	1.000	1.011	0.000	0.73	0.66
Relationship Support	Friendships are strengthened because I have STVco Having STVco helps me build relationships with people Relationships that matter to me are stronger because I have STVco. Having STVco helps me to protect relationships which are important to me	80.677	0.920	3.342 (0.188)	0.997	0.991	0.056	0.74	0.65
Altruistic Gratification	Having STVco means I can offer things to other people. I feel good about myself because people other than me benefit from my STVco package It's important to me that other people benefit from my STVco package Having STVco allows me to help other people	73.157	0.877	4.130 (0.127)	0.995	0.984	0.071	0.71	0.62

Table 60 continued: Four-Item Value Dimension Scales

Value Dimension	Scale Items	Sample 1 Analysis		Sample 2 Analysis					
		% Variance (EFA)	Cronbach's Alpha	Chi ² (sig)	CFI	TLI	RMSEA	Construct Reliability	Convergent Validity
		> 60%	>0.70	Low ($p>0.05$)	>0.97	>0.97	<0.08	> 0.70	> 0.50
Self-Esteem	Having STVco helps me feel like I'm equal to other people. I have respect for myself because I have STVco Having STVco boosts my self-esteem My STVco package helps me feel good about myself	80.048	0.917	2.259 (0.323)	0.999	0.998	0.025	0.73	0.65
Control	Having STVco gives me control over my time I can choose how I spend my time because I have STVco I don't have to make compromises about how I spend my time because I have STVco Having STVco means I can decide for myself what I want to do with my time	76.384	0.896	3.089 (0.213)	0.997	0.992	0.050	0.72	0.63

10.3.2 Dimension Scale Discriminant and Nomological Validity

The discriminant and nomological validities of the three-item scales can be interpreted from Table 61 (on pages 213 and 214), in which the correlation coefficients arising from the analysis of each scale in conjunction with measures of non-value constructs are presented. Table 62 (pages 215 to 217) details the correlation coefficients arising from the equivalent examination of the four-item scales.

As described in Section 9.5.1.5, when assessing discriminant validity, a maximum correlation coefficient of 0.70 was assumed (Lind et al., 2008), with higher reported values implying poor discriminant validity. A review of Table 61 highlights three excessively high correlations within the three-item scales: reduced expenditure value correlates very strongly with both calculative commitment and value for money; status value correlates very strongly with brand attachment. While the correlation coefficients derived in respect of overall value and both calculative commitment and value for money were slightly in excess of 0.70 when sample 2 was analysed, the lower values arising from sample 1 analysis resulted in the overall correlations being viewed as 'borderline' and the assumption of sufficient discriminant validity within the overall value scale.

A review of the reduced expenditure value and calculative commitment scales highlights an area of similarity within the wording used to capture respondent perceptions. Specifically, the reduced expenditure scale includes the statement 'the benefits I get from STVco would cost more from other providers' while the calculative commitment scale incorporates 'it is financially worthwhile to be a customer of STVco rather than of a competitor'. This similarity may account for the strong correlation (sample 1 $r = 0.737$; sample 2 $r = 0.764$) between the two scales. The remaining reduced expenditure scale items are less similar to those within the calculative commitment scale, however, and a review of the former reconfirmed its face validity and distinction from the latter. Moreover, calculative commitment is defined as: an "individual's rational, economic-based dependence on product benefits, due to a lack of choice or switching costs"

(Gustafsson et al., 2005, p. 211), and reduced expenditure value as: the extent to which a consumer perceives an experience as being less expensive than an alternative. It could be logically inferred that reduced expenditure value perceptions are a precursor to calculative commitment. As such, the correlation between the scales presents a more relevant indication of nomological than discriminant validity and a strong correlation would therefore be anticipated. Similarly, value for money, defined for the purpose of this exercise as the trade off by the customer between the quality or benefits perceived in a product relative to the sacrifice perceived by paying the price (Monroe, 1979), might reasonably represent an outcome of high perceptions of reduced expenditure value, again suggesting that the relevant correlations should be viewed as indicative of nomological validity. Therefore, the strong correlation between reduced expenditure and both calculative commitment and value for money scales was not felt to indicate poor validity of the scale derived within this investigation.

The high correlation between the status value and brand attachment scales was also not viewed as implying poor discriminant validity within the former. The brand attachment scale is designed to measure “the strength of the bond connecting the brand with the self” (Park et al., 2010, p. 2) and includes items such as ‘STVco is part of me and who I am’. Given the definition of status value (the extent to which an individual perceives an experience as resulting in their being highly thought of by others) the two constructs share a common theme in relating to an individual’s identity. To clarify, consumption behaviours are driven, in part, by a desire to portray a specific identity to third parties (Sirgy, 1982). Where brand attachment is high and a customer feels connected to a brand, their usage or association with that brand may form part of this outwardly portrayed identity. Furthermore, where that identity is perceived as being highly regarded due to brand association, status value may arise. A potentially causal relationship therefore exists between brand attachment and the status value dimension. The strong correlation between status value and brand attachment scales can therefore be viewed as indicative of nomological rather than discriminant validity. Overall, the evidence presented within Table 61, supports

the conclusion that the three-item scales derived within this investigation present sufficient discriminant validity.

A review of Table 62 highlights six further incidences of excessively high correlations between brand attachment and the value dimensions measured by four-item scales: stimulation, companionship, household harmony, relationship support, self-esteem and altruistic gratification. The relationship between brand attachment and self-esteem value may be explained in a manner similar to that described in relation to status value. Specifically, an individual's perceived connection with a brand might result in their feeling more positive about their identity, subsequently enhancing their self-esteem and increasing their perception of self-esteem value. As with the status value dimension, brand attachment might therefore be more appropriately applied to the assessment of nomological validity of the self-esteem scale. A review of the brand attachment scale in conjunction with those designed to measure the stimulation, companionship, household harmony, relationship support and altruistic gratification dimensions presented no clear rationale for the high correlations reported in Table 62. However, an examination of all scales reaffirmed their respective face validities and conceptual distinction. This, with the other evidence presented within Table 62, supported the conclusion that the four-item scales derived within this investigation present sufficient discriminant validity.

From a nomological validity perspective, the relevant correlation coefficients within Table 61 and Table 62 are all statistically significant and of a suitable strength to imply a causal relationship between the pairs of constructs under examination. The exception to this is the relationship between status value and customer satisfaction, for which notably low correlation coefficients were reported (sample 1 $r = 0.291$; sample 2 $r = 0.338$). This may be the result of the focus within the customer satisfaction scale on functionality and performance, and the absence of a theoretical link between these elements of an experience and status value. It was thus concluded that customer satisfaction (measured in this manner) was not a suitable non-value construct with which to examine the nomological validity of the status value scale. The presence of strong

correlations between status value and both affective commitment and customer advocacy, however, resulted in sufficient nomological validity of the status value scale being assumed. Overall, the findings displayed in Tables 61 and 62 provide sufficient evidence of the nomological validity of all the dimension scales derived within this investigation.

Table 61: Discriminant and Nomological Analyses – Three-Item Measures

Value Dimension		Discriminant Validity			Nomological Validity		
		Calculative Commitment	Brand Attachment	Value for Money	Affective Commitment	Customer Satisfaction	Customer Advocacy
Relaxation Sample 1	Pearson Correlation	0.495	0.690	0.409	0.696	0.585	0.652
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000
Relaxation Sample 2	Pearson Correlation	0.496	0.511	0.505	0.461	0.661	0.550
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000
Comfort Sample 1	Pearson Correlation	0.453	0.623	0.425	0.612	0.660	0.595
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000
Comfort Sample 2	Pearson Correlation	0.494	0.653	0.472	0.604	0.673	0.623
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000
Status Sample 1	Pearson Correlation	0.498	0.733	0.193	0.718	0.291	0.685
	Sig. (2-tailed)	0.000	0.000	0.005	0.000	0.000	0.000
Status Sample 2	Pearson Correlation	0.524	0.738	0.243	0.726	0.338	0.672
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000
Reduced Expenditure Sample 1	Pearson Correlation	0.737	0.481	0.691	0.499	0.616	0.483
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000
Reduced Expenditure Sample 2	Pearson Correlation	0.764	0.475	0.770	0.512	0.612	0.672
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000

Table 61 Continued: Discriminant and Nomological Analyses – Three-Item Measures

Value Dimension		Discriminant Validity			Nomological Validity		
		Calculative Commitment	Brand Attachment	Value for Money	Affective Commitment	Customer Satisfaction	Customer Advocacy
Ease of Use Sample 1	Pearson Correlation	0.517	0.543	0.518	0.544	0.713	0.516
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000
Ease of Use Sample 2	Pearson Correlation	0.487	0.524	0.557	0.483	0.756	0.599
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000
Reciprocity Sample 1	Pearson Correlation	0.554	0.636	0.409	0.638	0.523	0.672
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000
Reciprocity Sample 2	Pearson Correlation	0.548	0.557	0.543	0.632	0.578	0.652
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000
Assured Performance Sample 1	Pearson Correlation	0.493	0.496	0.524	0.485	0.715	0.526
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000
Assured Performance Sample 2	Pearson Correlation	0.496	0.511	0.505	0.461	0.661	0.550
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000
Overall Value Sample 1	Pearson Correlation	0.635	0.615	0.666	0.642	0.817	0.688
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000
Overall Value Sample 2	Pearson Correlation	0.719	0.622	0.724	0.660	0.878	0.759
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000

Table 62: Discriminant and Nomological Analyses – Four-Item Measures

Value Dimension		Discriminant Validity			Nomological Validity		
		Calculative Commitment	Brand Attachment	Value for Money	Affective Commitment	Customer Satisfaction	Customer Advocacy
Entertainment Sample 1	Pearson Correlation	0.417	0.549	0.493	0.518	0.704	0.567
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000
Entertainment Sample 2	Pearson Correlation	0.526	0.559	0.565	0.565	0.805	0.632
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000
Stimulation Sample 1	Pearson Correlation	0.579	0.790	0.348	0.831	0.513	0.749
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000
Stimulation Sample 2	Pearson Correlation	0.649	0.813	0.450	0.817	0.605	0.782
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000
Companionship Sample 1	Pearson Correlation	0.435	0.708	0.248	0.728	0.400	0.645
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000
Companionship Sample 2	Pearson Correlation	0.573	0.775	0.481	0.783	0.574	0.702
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000
Knowledge Enhancement Sample 1	Pearson Correlation	0.479	0.656	0.419	0.652	0.593	0.651
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000
Knowledge Enhancement Sample 2	Pearson Correlation	0.568	0.592	0.547	0.609	0.727	0.691
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000

Table 62 continued: Discriminant and Nomological Analyses – Four-Item Measures

Value Dimension		Discriminant Validity			Nomological Validity		
		Calculative Commitment	Brand Attachment	Value for Money	Affective Commitment	Customer Satisfaction	Customer Advocacy
Household Harmony Sample 1	Pearson Correlation	0.535	0.727	0.304	0.724	0.381	0.657
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000
Household Harmony Sample 2	Pearson Correlation	0.487	0.698	0.291	0.721	0.437	0.627
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000
Relationship Support Sample 1	Pearson Correlation	0.487	0.741	0.238	0.731	0.340	0.682
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000
Relationship Support Sample 2	Pearson Correlation	0.562	0.783	0.339	0.806	0.405	0.721
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000
Altruistic Gratification Sample 1	Pearson Correlation	0.470	0.739	0.322	0.744	0.407	0.740
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000
Altruistic Gratification Sample 2	Pearson Correlation	0.562	0.745	0.370	0.754	0.474	0.719
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000
Self Esteem Sample 1	Pearson Correlation	0.545	0.803	0.249	0.817	0.381	0.771
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000
Self Esteem Sample 2	Pearson Correlation	0.596	0.807	0.399	0.811	0.518	0.737
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000

Table 62 continued: Discriminant and Nomological Analyses – Four-Item Measures

Value Dimension		Discriminant Validity			Nomological Validity		
		Calculative Commitment	Brand Attachment	Value for Money	Affective Commitment	Customer Satisfaction	Customer Advocacy
Control Sample 1	Pearson Correlation	0.441	0.673	0.435	0.675	0.608	0.657
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000
Control Sample 2	Pearson Correlation	0.605	0.691	0.525	0.702	0.709	0.702
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000

10.3.3 Analysis of Scale Reliability and Validity via PLS-SEM

As described in Section 9.5.2.4, the analysis of data via PLS-SEM enabled the re-examination of the value dimension and overall value scales. Specifically, the composite reliability, indicator reliability, convergent validity and discriminant validity (all previously defined in Section 9.5.2.4) of all scales was examined. Table 63 (pages 220 to 224) presents the findings in relation to composite reliability, indicator reliability and convergent validity (AVE). As the table highlights, all statistics are in excess of the relevant thresholds of 0.70, 0.70 and 0.50, respectively (Hair et al., 2011). The reliability and convergent validity of the value dimension and overall value scales is subsequently confirmed.

Discriminant validity was assessed via two means: a review of indicator loadings and cross loadings, and an analysis of data in accordance with the Fornell-Larcker criterion (Hair et al., 2011; Hair et al., 2013). Table 64 (page 225) shows the loadings of all indicators onto the relevant construct; for example, the loading of ET1 onto the entertainment (ET) value construct (figures pertaining to these loadings are shaded within Table 64). The cross loadings of all the measurement items are also provided. For a scale to have discriminant validity requires that its indicator loadings are greater than any cross loading (Hair et al., 2013). As Table 64 indicates, all measurement item loadings were greater than any cross loading, thereby providing confirmation of the discriminant validity of all the derived scales.

The Fornell-Larcker criterion compares the average variance extracted (AVE) of each latent construct (in this instance, value dimensions and overall value) with the squared correlations between latent constructs (Hair et al., 2011; Hair et al., 2013). Discriminant validity is evidenced when a construct's AVE is higher than all its squared correlations with other constructs within the model (Hair et al., 2011). The findings of this analysis are presented in Figure 12, on page 226. The AVE figures are shaded and presented twice for ease of examination. As Figure 12 shows, AVEs are higher than all squared correlations, providing further confirmation of the discriminant validity of the scales derived within this investigation.

10.3.4 Value Dimension Scale Superiority

As noted in Section 3.2.1, previous studies (e.g. Mathwick et al., 2001; Sanchez-Fernandez et al., 2009; Sweeney and Soutar (2001) have sought to develop multi-dimensional value scales to enable the reflective measurement of value perceptions at the first-order dimension level. As Section 3.2.1 also describes, these scales are derived from the typologies of Holbrook (1999) and Sheth et al. (1991) and, due to the limitations associated with these underlying conceptualisations, subsequently lack validity. The application of the scales developed by Mathwick et al. (2001), Sanchez-Fernandez et al. (2009) and Sweeney and Soutar (2001) therefore has the potential to produce flawed insight.

While the typologies of Holbrook (1999) and Sheth et al. (1991) lack empirical derivation, the model of value in Table 57, from which the dimension scales presented in Table 59 and Table 60 are developed, is rigorously derived from an in-depth empirical investigation of customer value perception. Furthermore, the conceptualisation underpinning this investigation is conceptually superior to that of Holbrook (1999) and Sheth et al. (1991), in avoiding any conceptual confusion with quality and ensuring holism through the focus on customer experience as the source of value. Consequently, the dimension scales developed within the current study offer greater validity than those of Mathwick et al. (2001), Sanchez-Fernandez et al. (2009) and Sweeney and Soutar (2001), and represent a superior means of measuring customer perceived value at the first-order dimension level. This is discussed further in Chapter 11.

Table 63: Value Dimension Scale Composite Reliability, Indicator Reliability and Convergent Validity

Value Dimension	Scale Item	Sample 3 Analysis		
		Indicator Loading	Composite Reliability	Convergent Validity (AVE)
		> 0.70	> 0.70	> 0.50
Relaxation	STVco package helps me relax	0.8958	0.9292	0.8319
	STVco makes it easy for me to unwind	0.9052		
	Relaxation is easy because of my STVco package	0.9055		
Comfort	Having STVco means I can watch TV in comfort	0.9012	0.8647	0.6818
	Watching TV is more physically comfortable because I have STVco.	0.7503		
	Having STVco means I can be entertained in the comfort of my own home.	0.8187		
Status	People respect me because I have STVco	0.9284	0.9289	0.8134
	I am highly thought of by other people because I have STVco	0.8735		
	My social standing is better because I have STVco	0.9029		
Reduced Expenditure	I save money because of STVco	0.8715	0.9000	0.7500
	The benefits I get from STVco would cost more from other providers	0.8643		
	Having STVco is cheaper than paying for other types of entertainment	0.8623		

Table 63 continued: Value Dimension Scale Composite Reliability, Indicator Reliability and Convergent Validity

Value Dimension	Scale Item	Sample 3 Analysis		
		Indicator Loading	Composite Reliability	Convergent Validity (AVE)
		> 0.70	> 0.70	> 0.50
Ease of Use	It is easy to get my STVco system to do what I want it to do.	0.8870	0.8333	0.6296
	I am used to using STVco	0.6297		
	Using STVco's technology is hassle free	0.8400		
Reciprocity	STVco values me as a customer	0.9133	0.9458	0.8534
	STVco is grateful to me for being a customer	0.9285		
	STVco appreciates my commitment to them.	0.9295		
Assured Performance	The technology I have from STVco is reliable	0.8664	0.9270	0.7606
	I trust my STVco system not to fail	0.8863		
	My STVco system never lets me down.	0.8623		
Overall Value	Overall I think I get a lot of benefits from STVco	0.8733	0.9101	0.7714
	Overall I benefit a lot from having STVco	0.8925		
	Overall I feel I get a lot of value from STVco	0.869		

Table 63 continued: Value Dimension Scale Composite Reliability, Indicator Reliability and Convergent Validity

Value Dimension	Scale Item	Sample 3 Analysis		
		Indicator Loading	Composite Reliability	Convergent Validity (AVE)
		> 0.70	> 0.70	> 0.50
Entertainment	STVco provides me with entertainment	0.8719	0.9206	0.7435
	I get enjoyment from my STVco package	0.8677		
	STVco provides entertainment when I've got nothing to do	0.8371		
	STVco helps me spend time in an enjoyable way	0.8718		
Stimulation	Because I've got STVco, I get more emotionally involved with what I'm watching	0.8180	0.9117	0.7748
	I get excitement from my STVco package	0.8581		
	STVco helps me feel exhilarated	0.8790		
	Because I have STVco I can become totally absorbed in what I'm doing	0.8769		
Companionship	My STVco package provides company when I've got no one to talk to.	0.8661	0.9260	0.7579
	I don't feel alone because I have STVco	0.8572		
	STVco provides me with companionship	0.8885		
	Having STVco helps me feel less lonely	0.8701		

Table 63 continued: Value Dimension Scale Composite Reliability, Indicator Reliability and Convergent Validity

Value Dimension	Scale Item	Sample 3 Analysis		
		Indicator Loading	Composite Reliability	Convergent Validity (AVE)
		> 0.70	> 0.70	> 0.50
Knowledge Enhancement	STVco helps me to be knowledgeable	0.8545	0.9190	0.7393
	I keep my knowledge up to date with STVco	0.8317		
	I learn new things from my STVco service	0.8754		
	STVco helps me learn about things that are happening in the world.	0.877		
Household Harmony	Having an STVco package reduces conflict between people at home	0.8884	0.7742	0.9320
	I have fewer arguments because of STVco	0.8874		
	Relationships at home are more peaceful because of STVco	0.905		
	People in my home argue less because of STVco	0.8373		
Relationship Support	Friendships are strengthened because I have STVco	0.9133	0.8329	0.9522
	Having STVco helps me build relationships with people	0.9285		
	Relationships that matter to me are stronger because I have STVco.	0.9295		
	Having STVco helps me to protect relationships which are important to me	0.9128		

Table 63 continued: Value Dimension Scale Composite Reliability, Indicator Reliability and Convergent Validity

Value Dimension	Scale Item	Sample 3 Analysis		
		Indicator Loading	Composite Reliability	Convergent Validity (AVE)
		> 0.70	> 0.70	> 0.50
Altruistic Gratification	Having STVco means I can offer things to other people	0.8768	0.7432	0.9204
	I feel good about myself because people other than me benefit from my STVco package	0.903		
	It's important to me that other people benefit from my STVco package	0.8236		
	Having STVco allows me to help other people	0.8428		
Self-Esteem	Having STVco helps me feel like I'm equal to other people.	0.869	0.7514	0.9236
	I have respect for myself because I have STVco	0.8318		
	Having STVco boosts my self-esteem	0.8817		
	My STVco package helps me feel good about myself	0.8839		
Control	Having STVco gives me control over my time	0.8888	0.7521	0.9238
	I can choose how I spend my time because I have STVco	0.8586		
	I don't have to make compromises about how I spend my time because I have STVco	0.8479		
	Having STVco means I can decide for myself what I want to do with my time	0.873		

Table 64: Value Dimension Scale Discriminant Validity – Indicator Loadings and Cross Loadings

	Altruistic Gratification (AG)	Comfort (CF)	Control (CO)	Companion- ship (CP)	Entertainment (ET)	Reduced Expenditure (RE)	Household Harmony (HH)	Knowledge Enhancement	Overall Value (OV)	Reciprocity (RP)	Relationship Support (RS)	Relaxation (RX)	Assured Performance (AP)	Self- Esteem (SE)	Status (ST)	Stimulation (SV)	Ease of Use (EU)
AG1	0.8768	0.4981	0.5945	0.6017	0.4102	0.3979	0.6521	0.5243	0.5281	0.6136	0.7217	0.5394	0.4262	0.6645	0.6901	0.6563	0.3371
AG2	0.8428	0.4922	0.6008	0.7122	0.4143	0.42	0.719	0.6125	0.5113	0.6392	0.8241	0.5933	0.4866	0.7441	0.7462	0.7503	0.3108
AG4	0.903	0.5919	0.6336	0.6521	0.5066	0.3994	0.6873	0.5582	0.5966	0.6689	0.7407	0.6014	0.5161	0.7413	0.7185	0.7196	0.4161
AG6	0.8236	0.4334	0.4641	0.5277	0.4121	0.3602	0.5559	0.4838	0.4826	0.5894	0.6226	0.4902	0.4681	0.6223	0.5868	0.5426	0.2912
CF1	0.512	0.9012	0.6288	0.5376	0.6743	0.4069	0.501	0.5778	0.6716	0.4878	0.4298	0.6859	0.4301	0.4537	0.4127	0.5357	0.4943
CF2	0.5629	0.7503	0.6178	0.6099	0.5167	0.3543	0.5743	0.5586	0.5721	0.5219	0.6122	0.6467	0.4246	0.6378	0.5385	0.6213	0.3342
CF3	0.3923	0.8187	0.5618	0.4512	0.7427	0.4347	0.3507	0.5476	0.6384	0.3472	0.2985	0.646	0.4797	0.3636	0.2626	0.4607	0.5788
CO3	0.5891	0.6385	0.8888	0.5876	0.6362	0.3605	0.5846	0.6169	0.6096	0.5068	0.5542	0.7063	0.4239	0.608	0.4803	0.6592	0.4634
CO5	0.5506	0.5988	0.8586	0.5851	0.5721	0.2942	0.6012	0.559	0.5762	0.4613	0.5567	0.6785	0.4632	0.6003	0.5122	0.6457	0.4804
CO6	0.5913	0.5809	0.8479	0.5945	0.524	0.3939	0.615	0.5256	0.6357	0.5877	0.5849	0.6114	0.4645	0.5806	0.5603	0.6308	0.4416
CO7	0.5845	0.6997	0.873	0.5613	0.6473	0.4641	0.5566	0.6464	0.6942	0.5199	0.5075	0.6965	0.4605	0.5514	0.4385	0.6171	0.5144
CP3	0.5845	0.5953	0.5683	0.8661	0.5947	0.4407	0.6004	0.6433	0.5888	0.5315	0.599	0.6718	0.4885	0.6216	0.517	0.682	0.4006
CP4	0.7013	0.5096	0.561	0.8572	0.4524	0.38	0.7496	0.5667	0.5031	0.5859	0.7613	0.5816	0.3959	0.7486	0.7127	0.7134	0.3346
CP5	0.6516	0.5974	0.6067	0.8885	0.4981	0.3854	0.679	0.6027	0.5665	0.5648	0.6848	0.641	0.3926	0.7037	0.612	0.7078	0.3333
CP6	0.5929	0.5209	0.5987	0.8701	0.5298	0.3899	0.5973	0.5798	0.5294	0.5442	0.6501	0.6339	0.43	0.7146	0.6192	0.6987	0.3472
ET1	0.353	0.6643	0.541	0.4502	0.8719	0.439	0.3049	0.5622	0.6757	0.3875	0.3383	0.635	0.505	0.3723	0.2465	0.4355	0.5759
ET4	0.4213	0.6828	0.5955	0.4686	0.8677	0.4959	0.3746	0.5692	0.7025	0.4636	0.3528	0.6717	0.5503	0.4327	0.3201	0.4918	0.5923
ET5	0.4491	0.6421	0.5521	0.5697	0.8371	0.4107	0.4598	0.6227	0.6284	0.4473	0.388	0.7224	0.435	0.4362	0.3389	0.548	0.5335
ET6	0.5241	0.7148	0.6747	0.5779	0.8718	0.5433	0.4825	0.6997	0.7308	0.5445	0.4511	0.7675	0.5366	0.4845	0.3917	0.5786	0.5956
RE1	0.4629	0.4242	0.3865	0.4169	0.4827	0.8715	0.3603	0.4312	0.6121	0.5227	0.4073	0.4061	0.5515	0.4181	0.373	0.4043	0.5099
RE2	0.3843	0.4213	0.3947	0.4113	0.4764	0.8643	0.3431	0.4047	0.5757	0.4203	0.3658	0.3928	0.545	0.3243	0.2908	0.3622	0.4325
RE5	0.3355	0.4115	0.3638	0.3638	0.4707	0.8623	0.334	0.4093	0.5627	0.3778	0.3164	0.388	0.5135	0.281	0.2536	0.3398	0.4969
HH1	0.6961	0.5333	0.6135	0.6796	0.4329	0.39	0.8884	0.546	0.4778	0.558	0.6931	0.5919	0.3927	0.6616	0.6458	0.6171	0.3607
HH2	0.6556	0.4857	0.5774	0.6368	0.3813	0.3423	0.8874	0.5195	0.4591	0.5164	0.7384	0.5424	0.3622	0.6849	0.6821	0.6671	0.3166
HH3	0.6894	0.5529	0.6168	0.7228	0.4642	0.3632	0.905	0.5787	0.5329	0.5499	0.7443	0.6293	0.3769	0.7428	0.6635	0.7041	0.3627
HH5	0.6297	0.4237	0.5796	0.593	0.3664	0.3058	0.8373	0.4277	0.4099	0.5225	0.6692	0.5041	0.3142	0.6462	0.635	0.5604	0.2458
KV2	0.5433	0.5685	0.5652	0.5655	0.6149	0.4139	0.5447	0.8545	0.6569	0.4786	0.5632	0.6959	0.5397	0.5807	0.4463	0.604	0.4671
KV4	0.5755	0.5631	0.5805	0.5906	0.5658	0.4283	0.5359	0.8317	0.5814	0.53	0.5618	0.6498	0.5183	0.5264	0.4713	0.5942	0.5209
KV5	0.5869	0.5937	0.6073	0.59	0.6234	0.4381	0.5269	0.8754	0.636	0.4971	0.5257	0.7018	0.5414	0.5153	0.4603	0.6173	0.5091
KV6	0.4711	0.6096	0.583	0.5302	0.6427	0.371	0.434	0.877	0.6325	0.4073	0.4302	0.6746	0.4898	0.4542	0.329	0.5407	0.5076
OV1	0.5477	0.6308	0.5782	0.5456	0.6657	0.7258	0.4859	0.6125	0.873	0.5821	0.4977	0.6256	0.6362	0.5034	0.4155	0.5339	0.5831
OV3	0.5494	0.6872	0.6723	0.541	0.7314	0.5281	0.4692	0.6423	0.8923	0.5499	0.4862	0.6631	0.5685	0.5086	0.44	0.5716	0.5572
OV4	0.5284	0.6888	0.67	0.574	0.6995	0.5217	0.4612	0.6686	0.8694	0.5623	0.4618	0.7073	0.6183	0.5105	0.4158	0.5976	0.6026
RP7	0.6556	0.5329	0.5585	0.5692	0.5015	0.5168	0.5721	0.5338	0.614	0.9133	0.6013	0.52	0.5246	0.6205	0.5512	0.5757	0.3745
RP8	0.6683	0.4944	0.556	0.6018	0.5018	0.4474	0.5589	0.5183	0.5909	0.9285	0.6339	0.5239	0.5218	0.6398	0.5967	0.6491	0.3626
RP9	0.6977	0.4796	0.5481	0.598	0.4819	0.4488	0.5586	0.4835	0.5762	0.9295	0.6671	0.4947	0.5323	0.681	0.6101	0.6513	0.3787
RS10	0.7623	0.5218	0.5938	0.6913	0.4395	0.407	0.73	0.565	0.5314	0.6546	0.9013	0.55	0.4335	0.7898	0.7558	0.7118	0.3237
RS7	0.7267	0.4391	0.5529	0.6636	0.3804	0.354	0.7207	0.5205	0.4631	0.5722	0.8947	0.533	0.4067	0.7473	0.7316	0.6981	0.2941
RS8	0.7598	0.4614	0.5203	0.7153	0.3857	0.3634	0.697	0.5689	0.4958	0.5983	0.8895	0.5436	0.4028	0.7612	0.742	0.7165	0.2841
RS9	0.7755	0.4814	0.6038	0.6895	0.3829	0.3801	0.7535	0.5068	0.471	0.6281	0.8986	0.5401	0.3955	0.8173	0.8143	0.7425	0.2404
RX1	0.5658	0.7218	0.6962	0.6665	0.73	0.3922	0.5551	0.7522	0.6937	0.4995	0.5194	0.8958	0.4938	0.5592	0.4738	0.6394	0.4836
RX2	0.5975	0.727	0.7243	0.6647	0.7732	0.4169	0.6018	0.7054	0.6774	0.5251	0.5491	0.9052	0.4595	0.613	0.5066	0.6818	0.5289
RX4	0.5874	0.7116	0.6808	0.6386	0.6921	0.4284	0.5972	0.6852	0.6788	0.4789	0.5689	0.9055	0.4565	0.6079	0.5029	0.682	0.4568
AP1	0.4707	0.5106	0.4766	0.4091	0.5581	0.5491	0.3588	0.5441	0.6196	0.4808	0.3811	0.4928	0.8664	0.3977	0.3373	0.4479	0.6791
AP2	0.5158	0.454	0.465	0.4712	0.5102	0.5361	0.3758	0.5795	0.6151	0.5342	0.4394	0.4795	0.8863	0.4453	0.358	0.4965	0.5841
AP3	0.4424	0.3973	0.3851	0.4093	0.4026	0.5452	0.3661	0.4586	0.5413	0.4884	0.4055	0.5655	0.8622	0.4257	0.3829	0.4243	0.5906
SE1	0.7034	0.5098	0.6188	0.6783	0.4786	0.3566	0.6679	0.5633	0.5368	0.563	0.729	0.6038	0.468	0.869	0.6854	0.7066	0.4055
SE2	0.6792	0.4845	0.5171	0.6357	0.3484	0.3348	0.6793	0.4393	0.4662	0.5991	0.7349	0.5202	0.3767	0.8318	0.7684	0.6262	0.2596
SE4	0.7223	0.4803	0.5601	0.7332	0.4261	0.3624	0.6717	0.5506	0.4944	0.6229	0.8114	0.5664	0.4302	0.8817	0.7653	0.7835	0.2991
SE5	0.6875	0.532	0.6312	0.717	0.4758	0.3192	0.6842	0.5337	0.5021	0.6457	0.7421	0.5841	0.3982	0.8839	0.6947	0.7523	0.3168
ST1	0.7346	0.4645	0.5216	0.6472	0.3645	0.3844	0.6998	0.4492	0.474	0.6073	0.8008	0.4979	0.3649	0.789	0.9284	0.679	0.2568
ST2	0.6859	0.4009	0.5029	0.5838	0.2824	0.2665	0.6814	0.4007	0.3895	0.5558	0.7164	0.4442	0.3411	0.7069	0.8736	0.6186	0.2119
ST6	0.7335	0.4389	0.5247	0.6651	0.3668	0.3002	0.6379	0.4873	0.4358	0.5497	0.775	0.5372	0.3764	0.7677	0.9029	0.7529	0.2682
SV2	0.6517	0.5262	0.5845	0.6949	0.4457	0.3338	0.6511	0.5354	0.4962	0.5313	0.739	0.5977	0.3518	0.727	0.6806	0.818	0.318
SV3	0.6118	0.5778	0.6213	0.6107	0.5818	0.3501	0.5331	0.5966	0.6083	0.5617	0.5883	0.6299	0.5118	0.6225	0.5708	0.8581	0.4431
SV4	0.7032	0.527	0.5825	0.7332	0.45	0.3152	0.663	0.5898	0.5144	0.6084	0.754	0.6149	0.4463	0.7796	0.7341	0.879	0.3367
SV5	0.7059	0.587	0.724	0.7318	0.5488	0.4568	0.6652	0.6232	0.5859	0.6183	0.6879	0.6916	0.4669	0.731	0.6396	0.8769	0.3967
EU1	0.3226	0.493	0.4748	0.3208	0.5595	0.4978	0.2933	0.5038	0.5972	0.3379	0.2694	0.4458	0.6372	0.2915	0.2139	0.3658	0.887
EU2	0.1451	0.487	0.3152	0.2071	0.5298	0.2819	0.1945	0.4012	0.3922	0.1815	0.0511	0.4217	0.3596	0.1098	0.0183	0.2046	0.6297
EU4	0.437	0.4101	0.4948	0.4206	0.5182	0.5063	0.3727	0.4774	0.5619	0.409	0.389	0.4381	0.6663	0.4409	0.3678	0.4458	0.84

Figure 12: Value Dimension Scale Discriminant Validity – Fornell-Larcker Criterion

	AVE	AG	CF	CO	CP	ET	RE	HH	KV	OV	RP	RS	RX	AP	SE	ST	SV
Altruistic Gratification (AG)	0.7432	0.7432															
Comfort (CF)	0.6818	0.3463	0.6818														
Control (CO)	0.7521	0.4468	0.5307	0.7521													
Companionship (CP)	0.7579	0.5246	0.4108	0.4497	0.7579												
Entertainment (ET)	0.7435	0.2580	0.6165	0.4727	0.3583	0.7435											
Reduced Expenditure (RE)	0.75	0.2092	0.2342	0.1944	0.2111	0.3029	0.75										
Household Harmony (HH)	0.7742	0.5771	0.3259	0.4604	0.5646	0.2212	0.1597	0.7742									
Knowledge Value (KV)	0.7393	0.3994	0.4609	0.4608	0.4744	0.5074	0.23	0.3518	0.7393								
Overall Value (OV)	0.7714	0.3807	0.58	0.531	0.3974	0.633	0.455	0.289	0.5329	0.7714							
Reciprocity (RP)	0.8534	0.5316	0.2965	0.3601	0.4072	0.2875	0.2609	0.3721	0.3078	0.4137	0.8534						
Relationship Support (RS)	0.8029	0.7125	0.2838	0.4017	0.5935	0.1976	0.177	0.6548	0.3652	0.3012	0.4703	0.8029					
Relaxation (RX)	0.8139	0.4182	0.6373	0.6028	0.53	0.6579	0.2089	0.4198	0.6274	0.5738	0.3086	0.3658	0.8139				
Assured Performance (AP)	0.7606	0.3032	0.2897	0.2732	0.2419	0.348	0.3846	0.1701	0.3691	0.4791	0.3246	0.2096	0.2715	0.7606			
Self-Esteem (SE)	0.7514	0.6487	0.3354	0.4531	0.6362	0.2511	0.157	0.607	0.3648	0.334	0.49	0.756	0.4322	0.2344	0.7514		
Status (ST)	0.8134	0.6346	0.2338	0.3275	0.4928	0.1422	0.1261	0.5558	0.2453	0.2327	0.4017	0.7205	0.3002	0.1602	0.7026	0.8134	
Stimulation (SV)	0.7367	0.6033	0.4202	0.5401	0.6461	0.3549	0.1822	0.5295	0.4691	0.4178	0.4572	0.6403	0.5475	0.2728	0.6862	0.5761	0.7367
Ease of Use (EU)	0.6296	0.1572	0.3287	0.3011	0.1663	0.4452	0.3075	0.1362	0.3385	0.4378	0.1622	0.1023	0.2946	0.5148	0.1386	0.0749	0.1934

10.4 A Customer Value Index

Having established the unidimensionality, reliability and validity of the individual value dimension and overall value scales, further examination of data was undertaken using PLS-SEM. As described in Section 9.5.2.4, this enabled the evaluation of the customer value index, constructed from the value dimension scales as a means of measuring customer perceptions of value at the more abstract, second order level. As Section 9.5.2.4, noted, PLS-SEM analysis enables the following:

- The assessment of the significance and strength of relationships between individual value dimensions and overall value. Relationship strength is captured via the path coefficient, while significance is measured by the t -value, with a minimum of 1.96 required for significance at the 5% confidence level (Hair et al., 2011).
- Examine the extent of variance in latent construct (in this case, overall value) explained by the model (R^2). As Hair et al. (2011) assert, an R^2 of 0.75 or greater indicates substantial variance explained.
- The assessment the predictive capability of the model via the calculated of a Q^2 statistic (Hair et al., 2011). A value of greater than zero is indicative of predictive capability (Hair et al., 2011).
- The examination of index discriminant and nomological validity.

10.4.1 Index Construction

The output of the PLS-SEM analysis is presented in Table 65, overleaf.

Table 65: Customer Value Index Development: PLS-SEM Output

Dimension	Sample 3		Sample 4	
	Path Coefficient	Significance (t-value)	Path Coefficient	Significance (t-value)
		> 1.96		> 1.96
Entertainment	0.2715	4.8574	0.1836	3.1093
Reduced Expenditure	0.2158	4.6057	0.3311	6.8805
Comfort	0.1789	2.7216	0.1201	1.9068
Control	0.1788	3.6638	0.1419	2.4063
Assured Performance	0.1544	2.9774	0.2571	4.7775
Reciprocity	0.0947	2.1566	0.7733	1.7357
R ²	0.80		0.82	
Q ²	0.61		0.62	
The following dimensions were excluded due to the lack of significant relationship with overall value				
Altruistic Gratification	0.0171	0.2317	-0.0288	0.3837
Companionship	-0.0119	0.2139	0.1284	1.8577
Knowledge Enhancement	0.1327	2.4006	-0.0296	0.3639
Home Harmony	-0.0791	1.4270	-0.1261	2.0254
Status	0.0068	0.1193	0.3200	0.1971
Ease of Use	0.0259	0.4131	0.0249	0.5440
The following dimensions were excluded due to excessive multicollinearity				
Relationship Support	N/A			
Self-Esteem				
Stimulation				
Relaxation				

As Table 65 shows, the entertainment, reduced expenditure, comfort, control, assured performance and reciprocity value dimensions have significant predictive relationships with overall value when analysed using sample 3 data. These dimensions and their associated measurement items thus comprise a 20-item customer value index that explains a substantial extent of the variance in overall value, as evidenced by the R^2 of 0.80 and has predictive capability, illustrated by the Q^2 value of 0.61. As Table 65 shows, the evaluation of the resulting index via PLS-SEM using sample 4 produced consistent findings. It should be noted that, while the significance of the relationship between the comfort value dimension and overall value perceptions was found to be slightly under the 1.96 threshold (Hair et al. 2011) from the sample 4 analysis, the result was felt to be suitably borderline for the dimension to be retained within the index.

Table 65 also includes details of the dimensions excluded from the index, as the findings of the PLS-SEM analysis indicated an absence of a predictive relationship between these dimensions and overall value perceptions. As Section 9.5.2.4 describes, these dimensions were excluded in an iterative manner, to determine whether the removal of one dimension resulted in the subsequent improvement of path coefficients relating to other dimensions. For reasons of parsimony, the PLS-SEM output from each step of this process is not presented. Rather, Table 65 shows the path coefficients and t -values arising from the initial analysis in which all 16 dimensions and measurement items were examined (as illustrated in Figure 10). This stage of the process enabled the identification of dimensions requiring potential exclusion, such as altruistic gratification, which as Table 65 notes produced a non-significant path coefficient from the analysis of both samples 3 and 4.

Worthy of note are the findings relating to the knowledge enhancement and companionship value dimensions, for which the PLS-SEM output was inconsistent across samples 3 and 4. As Table 65 shows, knowledge enhancement was found to have a significant relationship with overall value from sample 3 analysis. However, this could not be validated via sample 4

analysis. The opposite situation arose with companionship value, which was observed to be a candidate for exclusion following the sample 3 analysis, yet exhibited a significant relationship during sample 4 analysis. The data pertaining to these dimensions was subsequently reanalysed using the whole data sample and in both cases *t*-values were found to be below the 1.96 threshold (Hair et al., 2011). Due to this and the inconsistency of findings from sample 3 and 4, these dimensions were excluded from the index.

Finally, Table 65 highlights the four value dimensions excluded due to excessive multicollinearity, as discussed in Section 9.5.2.4.

10.4.2 Index Discriminant and Nomological Validity

As described in Section 9.5.2.4, following Diamantopoulos and Winklhofer (2001), the discriminant and nomological validity of the resulting customer value index was assessed via the linking of the index to a reflectively measured, non-value construct. Figure 11 presents an example of the models subsequently evaluated. The strength and significance of the relevant path coefficient within each model was captured, along with the R^2 relating to the extent of variance in non-value construct explained by the model. These findings are presented in Table 66, on page 233. Diamantopoulos and Winklhofer (2001) state that discriminant and nomological validity is evidenced by a significant relationship of a magnitude “consistent with expectations” (Diamantopoulos and Winklhofer, 2001, p. 273). As Table 66 shows, all *t*-values exceed the 1.96 threshold (Hair et al., 2011) for significance at the 5% confidence level. Furthermore, all path coefficients indicate a relatively strong relationship between overall value as measured by the index and each of the non-value constructs. Consequently, the findings indicate that the index is producing a measure of a construct of a similar nature to these non-value constructs. From a discriminant validity perspective, while the magnitudes of these relationships are stronger than expected given the distinctly different nature of the relevant non-value construct, the extent of variance in each non-value construct explained by the model is lower than that of value, as evidenced by the R^2 values relating to the non-value

constructs, which are lower than those pertaining to overall value (presented in Table 65). Consequently, it can be assumed that the index provides a measure of customer perceived value, rather than an alternative non-value construct to which value is related. Similarly, the significant relationships between the constructs applied to the ascertaining of nomological validity and overall value, the high path coefficients and lower R^2 values, provide evidence of the nomological validity of the index derived within this investigation. That is, the findings of this analysis indicate that the index produces a measure of a construct with a causal relationship to each of the relevant non-value constructs.

10.4.3 Customer Value Index Superiority

Like the value scales detailed in Tables 59 and 60, the customer value index derived within the current study presents a means of customer value measurement, superior to that offered by previously developed tools. Specifically, as discussed in Section 3.2.1 and unlike the index in Table 65, the value scales developed by Mathwick et al. (2001), Sanchez-Fernandez et al. (2009) and Sweeney and Soutar (2001) fail to enable the measurement of value at the overall, second-order level. While Ruiz et al. (2008) acknowledge the requirement for value measurement at a more abstract level than is enabled by the measures of Mathwick et al. (2001), Sanchez-Fernandez et al. (2009) and Sweeney and Soutar (2001), their index is limited by a conceptual confusion with quality at the dimension level. Furthermore, due to the nature of formative measurement (Jarvis et al., 2003) the application by Ruiz et al. (2008) of CB-SEM to index evaluation is inappropriate, and focuses on the measurement of model fit rather than predictive relationships (Hair et al., 2011; Hair et al., 2013). The result is a tool of questionable validity. In contrast, the index developed within this investigation and presented in Table 65 is derived from a robust conceptualisation of value (Figure 4) that avoids any conceptual confusion with quality. This, and the use of PLS-SEM in index evaluation, results in an index

superior to that previously developed by Ruiz et al. (2008). This is discussed in further detail in Chapter 11.

Table 66: Index Discriminant and Nomological Validity Analysis

Non-Value Construct		Sample 3			Sample 4		
		Path Coefficient	Significance (t-value)	Non-Value Construct R ²	Path Coefficient	Significance (t-value)	Non-Value Construct R ²
Discriminant Validity	Calculative Commitment	0.7437	24.0630	0.55	0.7238	24.6857	0.52
	Brand Attachment	0.6998	18.4817	0.49	0.6833	18.2306	0.47
	Value for Money	0.8332	33.1159	0.69	0.8338	32.3941	0.69
	Customer Gratitude	0.7909	30.8199	0.63	0.8161	33.1615	0.67
Nomological Validity	Affective Commitment	0.6907	20.2722	0.48	0.7240	21.1950	0.52
	Customer Satisfaction	0.8458	41.7773	0.72	0.8407	37.9577	0.71
	Customer Advocacy	0.6208	14.7742	0.39	0.6931	32.3941	0.48
	Consumer Trust	0.7764	27.1638	0.60	0.7651	26.8726	0.59

11 General Discussion

The purpose of this chapter is to build on Chapter 10, in which research findings were presented in detail and an initial discussion of the resulting contributions to knowledge of customer value was presented. Chapter 11 undertakes a further examination of findings in relation to the research questions underlying the current study. To recap, the research questions are as follows:

Research Question 1: What is the nature of customer value arising from customer experience?

Research Question 2: How can customer value arising from customer experience be measured?

The remainder of this chapter is structured as follows: In Section 11.1, the findings relating to Research Question 1 are discussed in detail and synthesised into a summary finding (summary finding 1) that represents a specific, empirically derived response to the research question. In addition, five propositions are developed from the findings as an empirically informed basis for future research, beyond the immediate context of this study. In Section 11.2, the research findings of relevance to Research Question 2 are considered in depth, giving rise to two further summary findings: 2a and 2b. These present specific, empirically derived responses to Research Question 2, and consider the measurement of customer value at the first-order and second-order levels of perception respectively. A further two propositions are subsequently derived, relating to the measurement of customer value in alternative consumption contexts.

11.1 What is the Nature of Customer Value arising from Customer Experience?

To address this research question requires a further review of findings from phases 1 and 2 of the investigation. While phase 1 of the overall process investigated the nature of value at the first-order dimension level, insights

regarding overall value at the second-order level arise from the phase 2 outputs. Within this section value-related insights are duly considered at the first and second-order level. In addition, the findings of this study present knowledge of customer value perception both within the specific context of study and in multiple consumption contexts. Accordingly, Section 11.1.1 discusses the nature of value at the first-order level within the context of STV consumption, giving rise to summary finding 1 in response to research question 1. This summary finding is then considered in relation to current knowledge regarding the nature of customer value at the first-order level of perception, and incremental insight arising from summary finding 1 is highlighted. Section 11.1.2 presents the extended contributions of the findings to knowledge of value dimensions within alternative contexts, resulting in the derivation of propositions 1 to 3. In Section 11.1.3, proposition 4 is developed, regarding the nature of value at the second-order level.

11.1.1 Customer Value Perceptions from STV Customer Experience

The findings from phase 1 of this investigation yielded a model of 16 distinct value dimensions from the qualitative data, as illustrated in Table 57. An empirically derived multi-dimensional model of customer value is thus presented, within which value dimensions at the first-order level of abstraction are categorised according to their type (restorative, actualising or hedonic) and mode (individual, reflected or shared) of perception. Due to the robust underlying conceptualisation (described in Chapter 7), the methodological rigour with which the investigation was undertaken (Section 9.4), and the quality of evidence presented in Section 10.1 from interview transcripts and literature pertaining to related concepts, it can be concluded that the nature of value arising from customer experience within the STV consumption context is as described in Table 57. The findings of phase 1 of the current study that relate to Research Question 1 can therefore be presented as follows, in summary finding 1:

Summary Finding 1: Within the context of STV consumption, value perceptions at the first order level comprise the 16 dimensions presented in Table 57.

As discussed in Section 3.2.1, alternative multi-dimensional typologies of customer value have previously been formulated, with those of Holbrook (1999) and Sheth et al. (1991) most frequently applied to investigations of value in multi-dimensional form (Wilson et al., 2012). The question duly arises: what incremental knowledge is derived from the model in Table 57 that relates to the research question of interest? In addition to the obvious benefits of an empirical grounding and sound conceptual foundation, both of which are lacking in the pre-existing typologies, the extent to which the typology derived within this study delivers new value insight within the context of interest can be ascertained through a comparison of the model in Table 57 with the pre-existing, alternatives, theoretically derived by Holbrook (1999) and Sheth et al. (1991). In Table 67 (page 238) and Table 68 (page 239), comparisons by type and mode of perception are presented¹⁵. In each table, dimensions of a similar nature are presented in the same row. Where no corresponding form of value is identifiable, the term 'none' is entered and the relevant empirically derived dimension is highlighted.

¹⁵ The conditional value dimension is omitted from Sheth et al.'s (1991) model as it represents an enhancement of physical or social value in specific circumstances, rather than a distinct value perception.

Table 67: Comparing Typologies by Type of Perception

Category	This Study	Holbrook (1999)	Sheth et al. (1991)
Restorative	Assured Performance Ease of Use	Efficiency (convenience) Excellence (quality)	Functional Value (good functional, utilitarian or physical performance)
	Self-Esteem	Esteem (reputation, materialism, possessions)	None
	Relaxation	None	
	Comfort		
	Companionship		
	Reduced Expenditure		
	Household Harmony		
	Reciprocity		
Actualising	Status	Status (success, impression management)	Social Value (an association with positive stereotypes)
	Knowledge Enhancement	None	Epistemic Value (novelty; satisfaction of curiosity or desire for knowledge)
	Relationship Support		None
	Control		
Hedonic	Altruistic Gratification	Ethics (virtue, justice, morality) Spirituality (faith, ecstasy, sacredness, magic)	None
	Entertainment	Play (fun), Aesthetics (beauty)	Emotional Value (the arousal of feelings or affective states)
	Stimulation	None	

Table 68: Comparing Typologies by Mode of Perception

Perception	This Study	Holbrook (1999)	Sheth et al. (1991)
Individual	Assured Performance Ease of Use	Efficiency (convenience) Excellence (quality)	Functional value (good functional, utilitarian or physical performance)
	Entertainment	Play (fun). Aesthetics (beauty)	Emotional value (the arousal of feelings or affective states)
	Stimulation	None	
	Self-Esteem	Esteem (reputation, materialism, possessions)	None
	Knowledge Enhancement	None	Epistemic value (novelty; satisfaction of curiosity or desire for knowledge)
	Relaxation	None	None
	Comfort		
	Companionship		
	Reduced Expenditure		
	Control		
Reflected	Status	Status (success, impression management)	Social value (an association with positive stereotypes)
	Altruistic Gratification	Ethics (virtue, justice, morality) Spirituality (faith, ecstasy, sacredness, magic)	None
	Self-Esteem	Esteem (reputation, materialism, possessions)	
	Reciprocity	None	
Shared	Relationship Support	None	None
	Household Harmony		

Tables 67 and 68 highlight areas of convergence between the three models in the form of corresponding dimensions of value, such as the ease of use and assured performance value dimensions derived within this study, and the efficiency, excellence (Holbrook, 1999) and functional value (Sheth et al., 1991) dimensions previously defined. Consequently, the findings of this investigation provide some partial, empirical and ex-post support for the theoretically derived typologies. This conclusion is caveated, however, as it should again be noted that some of these previously identified dimensions, such as excellence (Holbrook, 1999), could be viewed as representing perceived quality rather than value. Assumptions of correspondence between value dimensions are therefore tentative and reflect the presumed aim of the previous authors to describe value of a similar nature to ease of use and assured performance.

As Table 67 shows, though not explicitly defined as such by the authors, the pre-existing typologies incorporate restorative, actualising and hedonic value dimensions, thus highlighting a further similarity between the three models. However, there is greater granularity and comprehensiveness of insight within the model derived within this study in the form of dimensions that are not incorporated within the previously published typologies. Specifically, and as Table 67 and Section 10.1 note, the restorative dimensions of relaxation, comfort, companionship, reciprocity, household harmony and reduced expenditure value are not included within the typologies of Holbrook (1999) or Sheth et al. (1991). The actualising dimensions of relationship support and control are also omitted. In excluding these dimensions, Holbrook (1999) and Sheth et al. (1991) have failed to acknowledge consumers' desires for reduced feelings of tension, for physical comfort, to avoid loneliness, to feel justly treated, to avoid conflict, to reduce financial outgoings, for inter-personal relationships and to have influence over their activities. Given the reported in-depth theoretical (Holbrook, 1991) and literature-based (Sheth et al., 1991) derivations of the previously published typologies, and in view of the rich body of literature describing the relevance of these diverse motivations to overall customer well-being and self-actualisation (as discussed in Section 10.1), the

omission of these dimensions is indicative of a less than rigorous consideration of the full scope of value perception during typology development. This may have arisen due to a lack of holism within the conceptualisation underlying each typology and from the aforementioned confusion with quality. That is, by focussing on what a product or service is able to deliver to a customer in terms of pre-defined or usage-related benefits, the broader outcomes of customer experience were excluded, resulting in typologies of value that are not truly comprehensive and lack granularity of insight. Moreover, by excluding the reduced expenditure dimension both Holbrook's (1991) and Sheth et al.'s (1991) typologies fail to acknowledge the potential for value to be perceived as a result of a reduction in perceived sacrifice. The findings of this investigation therefore provide empirical evidence of the limitation proposed by Sanchez-Fernandez and Iniesta-Bonillo (2007) that the extant value typologies focus solely on recognised benefits, giving only a partial view of value perceived.

As a review of Table 68 highlights, the dominant focus within the pre-existing typologies is on the individual mode of perception. While Holbrook (1999) acknowledges the potential for reflected value perception through the recognition of other-oriented value perceptions, arising when consumption is valued for the sake of or the reaction it generates from others (Holbrook, 1999), Sheth et al. (1991) make limited reference to the relevance of third parties on value perception, via their inclusion of a social value dimension. As with the elements of customer well-being and self-actualisation described above, the influence of third party behaviours on customer perceptions is documented within an established body of literature (see Section 10.1.2). Again, the findings of this research therefore suggest that pre-existing typology development (Holbrook, 1999; Sheth et al., 1991) was limited in respect of the breadth of value perception considered. Furthermore, neither Holbrook's (1999) nor Sheth's (1999) typology captures shared value perceptions. In contrast with third party influences, the notion of shared customer goals is more recently acknowledged (Epp and Price, 2011), which may account for its neglect within the theoretically derived typologies of value (Holbrook, 1999; Sheth et al., 1991). As a result of the inclusion of shared value perceptions, however, the

model derived within this study transcends the traditional assumption within the theoretical typologies of value perception as a largely individually-oriented phenomenon, an observation that yields further evidence of the greater comprehensiveness of the model arising from this investigation.

Incremental knowledge of customer value therefore arises from the multi-dimensional model of value developed within this investigation in the form of empirically derived value dimensions and modes of perception, not captured in previously formulated typologies, due to the poorer granularity and comprehensiveness of the latter. The findings thus provide empirical evidence of the limitations associated with the extant value typologies (Holbrook, 1999; Sheth et al., 1991) and, by association, with the contributions of previous research in which these models were applied. That is, the findings of this study provide empirical support for the argument that applying the value typologies of Holbrook (1999) or Sheth et al. (1991) to value investigation will yield results of poor granularity and comprehensiveness.

Claims as to the superiority of the model derived within this investigation must be caveated by the acknowledgement that, as this is a study in a single context, the value dimensions in Table 57 may be context specific. Therefore, the additional granularity and comprehensiveness afforded by the empirically derived model may only apply to value perceived as arising from STV customer experiences, or, as highlighted in Section 9.1, from those arising in similar, entertainment-focussed consumption contexts. Nonetheless, the findings indicate that to apply either Holbrook's (1999) or Sheth et al.'s (1991) value typology to a study of value within the context of STV consumption, would yield poorer quality, less actionable insight than would arise from a study in which the model in Table 57 was operationalised. This discussion of summary finding 1 is summarised as follows:

The multi-dimensional model of customer value developed within this investigation offers enhanced comprehensiveness and granularity of insight when compared to the extant theoretical models, regarding the

nature of value arising from customer experience within the context of STV and related product category consumption.

11.1.2 Customer Value Perceptions in Alternative Contexts

The previous section noted the potentially context specific nature of the multi-dimensional model of customer value derived within this study. While the discrete value dimensions may be context specific, it can be argued that the types and modes of value perception interpreted from the qualitative data are of a potentially generic nature. Consequently, the findings of this investigation generate insights regarding the nature of customer value perceptions at the first-order dimension level, arising from customer experience within multiple contexts.

As Section 10.1 noted, support for the types of perception is drawn from the comparison of research findings with phenomena of a similar nature, discussed in other, non-value domains of literature. For example, support for the restorative type of value perception arises from the evidence presented by Chitturi et al. (2008) of the pursuit by consumers of prevention goals, the achievement of which entails the avoidance of, or relief from detrimental circumstances. As argued in Section 10.1.1.1, the recognition by a consumer of the avoidance of such circumstances will be viewed as a positive outcome, giving rise to a perception of value that is restorative in type. The exact nature of the dimension will be dependent on the nature of the associated outcome. Support for the derivation of actualising and hedonic types of value is derived in a similar manner, as equivalent self-enhancing goals (Maslow, 1943; Sirgy, 1982) and hedonic motivations (Celsi et al., 1993; Holbrook and Hirschman, 1982) are evidenced in previous investigations.

Prevention, self-enhancing and hedonic goals are pursued by customers in multiple consumption contexts (Chitturi et al., 2008; Holbrook and Hirschman, 1982; Sirgy et al., 1982). It therefore follows that the associated restorative, actualising and hedonic types of value perception may arise from customer

experiences in multiple contexts. The following proposition subsequently arises as a basis for future investigation:

P1: Value dimensions perceived by customers as arising in multiple consumption contexts can be categorised into three types: restorative, actualising and hedonic.

The interpretation of the modes of value perception presented in Table 57 is also supported by reference to phenomena discussed in alternative literature domains. As Section 10.1.2.1 notes, individual value perception arises from the recognition by individuals of outcomes, beneficial (or otherwise) to them alone. In line with the conceptualisation of value underlying this study those outcomes will reflect the achievement of an individual consumption goal. The pursuit by consumers of individual goals has been evidenced (e.g. Bagozzi and Dabholkar, 1994; Ligas, 2000), providing support for the observed individual mode of value perception. Validation of the development of a reflected mode of perception is derived from the literature evidencing the influence of third party responses on consumer perceptions (Han et al., 2010; Sirgy, 1982). The proposed existence of a shared mode of perception is supported by reference to Epp and Price's (2011) empirical delineation of shared goal achievement. It can be inferred from the diversity of context within which individual, reflected and shared goals are evidenced as arising (Bagozzi and Dabholkar, 1994; Epp and Price, 2011; Han et al., 2010; Ligas, 2000; Sirgy, 1982), that the individual, reflected and shared modes of perception will occur in multiple consumption contexts. Consequently, like the types of perception previously discussed, the modes of perception are potentially generic. These observations give rise to proposition 2:

P2: Value dimensions arise in multiple contexts via three potential modes of perception: individual, reflected and shared.

Together, the types and modes of perception form a customer value framework that depicts the scope of value perception. However, the exact nature of the value dimensions perceived at the first-order level is not specified and will reflect the context of interest. This allows for subjectivity, idiosyncrasy and dynamism within each category. The model of value depicted in Table 57 therefore overcomes the limitation associated with the restrictively generic nature of Holbrook's (1999) and Sheth et al.'s (1991) typologies (Sanchez-Fernandez and Iniesta-Bonillo, 2007). In addition, the rigorous development of the types of perception in Table 57 extends the contribution to value knowledge presented by Woodruff's (1997) intuitive yet prohibitively complex goal-oriented perspective. Specifically, the restorative, actualising and hedonic categories represent a crystallisation of the goals of relevance in value recognition. While the concept of personal goals remains highly complex and difficult to access via empirical means (Gutman, 1997), the model derived within this investigation provides some clarification and direction within the domain of value as goal-oriented. The contributions to theory arising from the identification of this customer value framework are discussed in Section 12.1.1.2.

The value dimensions in Table 57 are derived from a rigorous empirical investigation within the context of interest. The resulting enhanced granularity and comprehensiveness of insight (as discussed in Section 11.1.1) highlights the requirement for further empirical investigation, grounded within alternative contexts of interest, to derive similarly robust insights regarding the relevant value dimensions within the framework of types and modes of perception. This methodological contribution is discussed further in Section 12.1.3.1. However, due to the rigour with which the dimensions in Table 57 were derived, and despite their potentially context specific nature, the possibility exists for some or all of the previously unacknowledged dimensions of value to be perceived by customers within alternative contexts. Proposition three subsequently arises, as a basis for further value investigation:

P3: Value perceptions in alternative contexts may include dimensions previously omitted from theoretically derived typologies: relaxation,

comfort, companionship, reciprocity, household harmony, reduced expenditure, relationship support and control.

As described in Section 10.2, in addition to insights regarding the nature of customer value at the first-order level, phase 1 of this investigation gave rise to a series of value-generating interactions, detailed in Table 58. The observation of these interactions provides empirically derived insight regarding the source of value perception. Consistent with the underlying conceptualisation of value (Figure 4) and research design (Chapter 9), value is observed within this study as arising from customer experience, where experience is defined as *an individual's subjective response to their holistic interaction with a firm or its offering*, adapted from Lemke et al. (2011). Incremental knowledge regarding customer experience as the source of value arises, however, from the observation described in Section 10.2 of holistic and discrete, direct and indirect interactions as giving rise to perceptions of value at the first-order dimension level. A more detailed understanding of the nature of customer experience as a source of value is thus presented.

Like the types and modes of perception described previously, due to their customer-centric (rather than context specific) nature, these specific value-generating characteristics of customer experience will potentially arise in alternative contexts. Consequently, a third proposition relating to the nature of customer value arises from this investigation that specifically captures the incremental knowledge arising in relation to the source of value perception. This is summarised as follows:

P4: Customer perceived value arises in multiple contexts from customer experience that encompasses holistic and discrete, direct and indirect interactions between a customer and a firm.

11.1.3 Customer Perceptions of Overall Value

The findings of phase 2 of the current study present insights regarding the nature of overall customer value at the more abstract, second-order level. Specifically, the analysis enabling the construction of a customer value index identified six of the 16 dimensions in Table 57 as having a significant relationship with overall perception. A further six dimensions were not found to influence overall value perceptions and the individual contributions of the remaining four could not be assessed due to excessive multicollinearity.

As Section 3.2.1 notes, Lin et al. (2005) make a theoretical argument for conceptualising and examining value at a higher level of abstraction than is captured within extant value typologies (e.g. Holbrook, 1999; Sheth et al., 1991). The findings of this investigation provide empirical evidence of this requirement by highlighting the distinct difference in nature of value perception at the first and second-order levels of abstraction. Specifically, while multiple, distinct dimensions of value are perceived at the first-order level, perceptions at the more abstract, second-order level are comprised of a subset of first-order dimensions. Consequently, to assume a contribution from all first-order dimensions would result in a flawed understanding of overall perceived value. These observations give rise to a fifth proposition:

P5: Value perceptions at the more abstract, overall level may comprise only a subset of dimensions perceived at the first order level.

Further evidence subsequently arises from the identification of this proposition of the limitations associated with the theoretical typologies of Holbrook (1999) and Sheth et al. (1991), as they fail to consider value at the more abstract, overall level. Furthermore, the derivation of proposition 4 highlights areas requiring further investigation. Specifically, the six value dimensions that were not found to contribute to overall perceived value were clearly articulated by the qualitative respondents. The question therefore arises as to why they might subsequently prove to be insignificant at the second-order level. Two potential

explanations exist that require further investigation and thus represent future research directions, discussed in greater detail in Section 12.3. The first possible explanation considers the extent to which the perception of a specific dimension endures within an overall value perception. That is, while respondents may previously have perceived all the dimensions of value captured in Table 57, their most recent customer experiences may have given rise to a much smaller range of perceptions. Second, certain value dimensions may, in reality, reflect 'hygiene factors'. That is, consumers may view value dimensions such as ease of use as 'basic' or minimum requirements for continued consumption. Their perception does not therefore enhance overall value. However, should customer experience result in reduction in perceived ease of use value, overall value would in turn be reduced.

Alternatively, the observed inclusion of a limited subset of value dimensions within overall perceptions may be due to sources of bias within the qualitative data. For instance, the interviewing of household groups may have resulted in an over-emphasis within the data on dimensions perceived via the shared mode, which as Table 65 notes, were subsequently observed not to influence overall perceptions of value. This is considered in greater detail in Section 12.2.3.

The exclusion of four dimensions due to their excessive multicollinearity implies potential hierarchical relationships between dimensions within Table 57. This seems plausible as, for example, the dimensions of relaxation and stimulation might feasibly give rise to entertainment value at a more abstract level. This area also warrants further investigation, however, to confirm the existence of hierarchies and any variation in the hierarchical level at which dimensions influence overall value perceptions. As with the research directions arising from the observed insignificant relationships between first-order dimensions and second-order perceptions, this is discussed further in Section 12.3.

11.2 How can Customer Value arising from Customer Experience be Measured?

Within this section, the findings of phase 2 of the investigation relating to Research Question 2 are discussed in detail. Section 11.2.1 considers the findings relating to the measurement of customer value within the context of STV consumption, producing two summary findings (2a and 2b) in response to Research Question 2. A discussion of these summary findings in relation to extant knowledge of customer value measurement is then presented, and the incremental knowledge arising from their derivation is highlighted. Section 11.2.2 discusses the implications arising from the study for measurement in alternative contexts, deriving two further propositions.

11.2.1 Measuring Customer Perceived Value from STV Customer Experience

As Tables 61 and 62 indicate, data gathered during phase 2 gave rise to a series of parsimonious scales with which to measure each of the value dimensions identified in phase 1. Each scale is shown to be reliable and valid, claims rigorously tested through the reanalysis of each purified scale using sample 3 data. It can therefore be inferred that the development of the 16 dimension scales addresses the question as to how value can be measured at the first-order level, within the context of STV consumption. Summary finding 2a duly arises as follows:

Summary Finding 2a: Within the context of STV consumption, value perceptions at the first-order level can be measured using the scales presented in Tables 59 and 60.

As Table 65 shows, phase 2 of this study gave rise to a twenty-item index with which to measure overall value perceptions within the context of interest. Unlike the value dimension scales, this index has not been tested following its initial derivation from sample 3 and 4 data, through the collection and analysis

of new data. Its psychometric properties subsequently remain unconfirmed. However, as the data in Table 65 and Table 66 indicate, the index appears to offer high explanatory power and sufficient validity. This discussion gives rise to summary finding 2b:

Summary Finding 2b: Within the context of STV consumption, value perceptions at the second-order level can be measured using the index presented in Table 65.

As discussed in Section 3.2.1, measures of customer perceived value have been developed in previous investigations, with those of Mathwick et al., (2001), Sanchez-Fernandez et al. (2009), Sweeney and Soutar (2001) and Ruiz et al. (2008) the most cited (Wilson et al., 2012). The identification of incremental knowledge arising from the development of measures within this investigation therefore necessitates a comparison of the scales and index in Tables 59, 60 Table 65 with those previously developed.

The scales developed by Mathwick et al. (2001), Sanchez-Fernandez et al. (2009) and Sweeney and Soutar (2001), and the index produced by Ruiz et al. (2008), comprise sets of items designed to measure value dimensions at the first-order level. As described in Section 3.2.1, the scales developed by Mathwick et al. (2001), Sanchez-Fernandez et al. (2009) and Sweeney and Soutar (2001) (and the value dimensions subsequently measured) are based upon the multi-dimensional typologies developed by Holbrook (1991) and Sheth et al. (1991). As previously discussed, due to a series of limitations (including their lack of empirical derivation and poor comprehensiveness), these typologies present a flawed foundation for measure development, resulting in scales of limited validity. The dimensions measured within Ruiz et al.'s (2008) index were theoretically derived from literature, with no empirical derivation or confirmation of the extent to which they represent a complete and accurate model of customer perceived value. Furthermore, Ruiz et al. (2008) indicate a potential lack of comprehensiveness within their measure. Specifically, they note: "*Although many variables likely contribute to customer perceptions of*

service value, four have the strongest theoretical support” (Ruiz et al., 2008, p. 1281, emphasis added). In addition, and as previously noted in Section 3.2.1, within the four dimensions identified by Ruiz et al. (2008) as contributing to perceptions of value is service quality. Consequently, an element of conceptual confusion arises, both within the underlying conceptualisation and the resulting index.

In contrast, the dimension scales developed within this investigation were derived from the multi-dimensional model of value depicted in Table 57. With its superior underlying conceptualisation and rigorous empirical derivation, the model presents a more robust platform for scale development. As such, the scales developed within this investigation present a more reliable and valid means of measuring customer value at the first-order dimension level than those previously presented.

As noted in Section 3.2.1, the scales derived by Mathwick et al. (2001), Sanchez-Fernandez et al. (2009) and Sweeney and Soutar (2001) fail to measure value at the overall level of perception. The development of the index within Table 57 enables overall value measurement, thereby overcoming this further limitation of the previously defined measures and presenting a more conceptually accurate tool. In contrast with Mathwick et al. (2001), Sanchez-Fernandez et al. (2009) and Sweeney and Soutar (2001), Ruiz et al. (2008) acknowledged the requirement for value measurement at the more abstract level of perception in their development of an index. Furthermore, Ruiz et al. (2008) sought to measure value formatively, which as Section 7.2 notes, presents a more conceptually robust approach to value measurement and was therefore adopted within the current study. Further support for the conclusion that the measures developed here represent superior measures to those previously developed arises from a direct comparison of the index developed by Ruiz et al. (2008) with that derived within this investigation. To facilitate this comparison, both indices are presented in Table 69, overleaf.

Table 69: Comparing Customer Value Indices

Customer Value Indices (Formative Measure of Value)			
This study		Ruiz et al. (2008)	
Dimension	Items	Dimension	Items
Entertainment	STV Co provides me with entertainment. I get enjoyment from my STV Co package. STV Co provides entertainment with I've got nothing to do. STV Co helps me spend time in an enjoyable way.	Service Quality	In general, this company's service is reliable and consistent. My experience with this company is always excellent. I would say that this company provides superior service. Overall, I think this company provides good service.
Reduced Expenditure	I save money because of STV Co. The benefits I get from STV Co would cost more from other companies. Having STV Co is cheaper than paying for other types of entertainment.	Service Equity	It makes sense to buy this company's services compared to others, even if they are the same. Even if another company offers the same service, I would still prefer this company. If another company offers services as good as this company's, I would still prefer this company. If another company is not different from this company in any way, it still seems smarter to purchase this company's services
Comfort	Having STV Co means I can watch TV in comfort. Watching TV is physically more comfortable because I have STV Co. Having STV Co means I can be entertained in the comfort of my own home.	Confidence Benefits	I have more confidence the service will be performed correctly. I have less anxiety when I buy/use the services of this company. I believe there is less risk that something will go wrong. I know what to expect when I go to this company. I feel I can trust this company.

Table 69 continued: Comparing Customer Value Indices

Formative Measure of Value			
This study			Ruiz et al. (2008)
Dimension	Items	Dimension	Items
Control	<p>Having STV Co gives me control over my time. I can choose how I spend my time because I have STV Co. I don't have to make compromises about how I spend my time because I have STV Co. Having STV Co means I can decide for myself what I want to do.</p>	Perceived Sacrifice	<p>The price charged to get this company's services is high. The time required to receive this company's services is high. The effort I expend to receive this company's services is high.</p>
Assured Performance	<p>The technology I have from STV Co is reliable. I trust my STV Co not to fail. My STV Co system never lets me down.</p>		
Reciprocity	<p>STV Co values me as a customer. STV Co is grateful to me for being a customer. STV Co appreciates me commitment to them.</p>		

As Table 69 indicates, Ruiz et al.'s (2008) 16-item index is slightly shorter in length than the 20-item tool developed within the current study. However, while this might enhance ease of completion by the respondent, a review of the items within Ruiz et al.'s (2008) index highlights a series of limitations. First, Ruiz et al. (2008) identified four distinct contributions to value perception. However, the items designed to measure these discrete dimensions show some similarities in respect of the underlying construct of interest. For example, the item designed to measure service quality: 'In general this company's service is reliable and consistent' is similar to that included within the confidence benefits scale: 'I have more confidence the service will be performed correctly'. As a consequence, despite the assessment of multicollinearity by Ruiz et al. (2008), the index has limited face validity in this respect. Second, the index presented by Ruiz et al. (2008) is of a more generic nature than the measure developed in the current study, focussing on the overall service provided by a firm, rather than specific outcomes that arise from customer experience. While this might appear to represent a strength of the former tool, allowing its application in multiple contexts, the resulting lack of granularity within the index derived by Ruiz et al. (2008) will result in potentially flawed findings and limited actionable insight arising from its application.

A third limitation arises as, while Ruiz et al. (2008) include both benefits and sacrifices within the dimensions comprising their index, thereby addressing the criticism levied at the extant value typologies for their sole focus on benefits (Sanchez-Fernandez and Iniesta-Bonillo, 2007), the benefits relate solely to consumer confidence and the notion of sacrifice encompasses financial outlay only. The scope of benefits and sacrifices within Ruiz et al.'s (2008) index is therefore limited, presenting a potentially partial measurement of overall value. Fourth, the focus by Ruiz et al. (2008) on customer perceptions of the service provided and of the providing firm represents a company-centric view of the interactions from which customer perceptions of value might arise. Specifically, the measurement items incorporated by Ruiz et al. (2008) exclude any references to outcomes arising from indirect interactions, beyond the direct

control of the organisation. Consequently, this previously developed index is potentially limited in the extent to which it provides a comprehensive measure of customer value. Fifth, despite their acknowledged formative approach to value measurement, Ruiz et al. (2008) adopted covariance-based structural equation modelling (CB-SEM) as a means of index evaluation. As discussed in Section 9.5.1.5, due to the nature of formative measurement, the use of CB-SEM is inappropriate. Rather, PLS-SEM should be applied (Hair et al., 2011; Hair et al., 2013), as was the case within this study. Thus, the derivation of Ruiz et al.'s (2008) index lacked methodological rigour, resulting in a tool of questionable validity. Sixth, a further methodological limitation arises from Ruiz et al.'s (2008) use of pre-existing measurement items within their index. In contrast, the tool developed within the current study comprises items derived from an empirical investigation of customer perceived value, therefore presenting a potentially more accurate and representation of value perceptions.

Overall, despite the superiority of Ruiz et al.'s (2008) index when compared to the scales developed by Mathwick et al. (2001), Sanchez-Fernandez et al. (2009) and Sweeney and Soutar (2001), it nonetheless represents a potentially flawed means of measuring value at the second-order level. The measure developed within this investigation therefore presents incremental knowledge in the form of a more comprehensive, granular, reliable and valid means of measuring overall customer perceived value. As previously noted, the underlying value dimensions and measurements items derived therefrom are context specific. Consequently, the index derived within this study and incremental insight arising from its superiority of measurement is applicable primarily within the context of interest. However, as previously noted, due to similarities in customer experiences and associated value-generating outcomes, the index could be modified for use in similar contexts, such as mobile entertainment consumption.

This discussion of summary findings 2a and 2b is summarised as follows:

The customer value dimension scales and index developed within this investigation offer superior measurement of perceived value to that

enabled by previously derived instruments, within the context of STV and related product category consumption.

11.2.2 Measuring Customer Perceived Value from Alternative Customer Experiences

As described in Section 11.2.1, the dimension scales and customer value index developed in the current study are largely context specific, due to the purposeful reflection of STV customer experiences and potential outcomes within the individual measurement items. Beyond the immediate context of STV and related product category consumption, the contribution made by the development of value dimension scales and a customer value index to addressing the question of how customer value can be measured arises in methodological form. Specifically, this study has developed and tested a process through which robust, reliable and valid measures of customer value can be derived. Moreover, as Section 11.2.1 highlights, the scales and index derived within this investigation overcome many of the limitations associated with previously derived tools. The superiority of the dimension scales developed within this study arises, in part, from the initial empirical investigation of customer value from customer experience within the specific context of interest. This enabled the identification of a granular, comprehensive and multi-dimensional model of value at the first-order level, from which to derive similarly robust value dimension scales. The superior measurement power associated with the customer value index subsequently developed within this investigation results, in turn, from the robust nature of the underlying first-order measures. In addition, the index presents a more effective tool than the previously derived scales, due to its formative measurement of value at the more abstract, overall level of perception.

Two further propositions (P6 and P7) subsequently arise:

P6: Customer value measurement requires first-order dimension scale development, supported by an initial empirical investigation of customer value arising from customer experience within the context of interest.

P7: Customer value measurement requires the development of an index with which to measure value formatively, at the second-order level of abstraction.

12 Conclusion

Having summarised the research findings in relation to the research questions under investigation and developed a series of propositions, the purpose of Chapter 12 is to present a summary of contributions arising from the current investigation. In Section 12.1, theoretical, practitioner and methodological contributions are discussed in detail. A series of limitations is then identified and described in Section 12.2. Finally, Section 12.3 presents a future research agenda, founded upon the contributions of this investigation.

12.1 Summary of Contributions

As described at the beginning of this document, the concept of customer value occupies a prominent position within the strategic agenda of organisations and is central to the marketing discipline. However, the nature of customer value has remained ambiguous and its measurement has been consistently flawed, due in part to the absence of a robust conceptual framework upon which to build value research endeavours. This study therefore aimed to address the current lack of knowledge surrounding the nature of customer value and means of its measurement. A two-phase research methodology was subsequently employed, producing an empirically derived multi-dimensional model of customer value, a series of reliable and valid value dimension scales and an index with which to measure overall perceptions of value. A series of theoretical, methodological and practitioner contributions arise from this investigation and are discussed in Sections 12.1.1 to 12.1.3.

12.1.1 Theoretical Contributions

The contributions to theory derived from this study arise from the revised conceptualisation of customer value, the derivation of a multi-dimensional model of customer value, the observation of value arising from a diversity of value-generating interactions and the development of tools for value

measurement. The contributions arising from these core deliverables are discussed in Sections 12.1.1.1 to 12.1.1.4.

12.1.1.1 A Revised Conceptualisation of Customer Value

The revised conceptualisation developed within this investigation (Figure 4) presents a specific contribution to knowledge of customer value. As Chapter 7 describes, the model represents the synthesis of core themes within the customer value dialogue in such a way that combines their strengths, overcomes many of their weaknesses and provides a conceptually superior platform for customer value research endeavours.

Conceptual superiority arises in part, from the focus within the definition of value on multiple, uncategorised outcomes, which reflects the goal-driven perspective proposed by Woodruff (1997). This presents a multi-dimensional conceptualisation with an inherent comprehensiveness, granularity and idiosyncrasy. The complexity associated with applying Woodruff's (1997) conceptualisation to empirical value research is overcome, however, by the emphasis within the revised definition on outcomes rather than goals. The definition of value within this study also overcomes the limitations associated with the leading value typologies' (Holbrook, 1999; Sheth et al., 1991) generic nature, as a focus on outcomes presents an uncategorised view of the value dimensions perceived. In addition, an over-emphasis on benefits is prevented, and the conceptualisation allows for both increasing and reducing perceptions of value. Also, any conceptual confusion with perceptions of quality is avoided. Furthermore, the conceptual model within this study reflects the abstract nature of value perceived, as the framework captures value perceptions at the level of individual dimensions (first-order) as well as at an overall (second-order) level.

Conceptual superiority also results from the definition of value within the revised conceptualisation in Figure 4 as arising from customer experience, rather than embedded in products or services through design. The specification of customer experience as the source of customer value supports the desired

comprehensive multi-dimensionality within the conceptualisation. In addition, a focus on customer experience reflects the service dominant logic foundational principle that value emerges during a customer's interaction with a firm or its offering via a continuous process of co-creation (Vargo and Lusch, 2008). However, this principle is incorporated within a definition of value (rather than value-in-use, value-in-context, etc.), thereby capturing its contributions to conceptualisation of the core notion of value while avoiding further conceptual ambiguity. The revised conceptual model subsequently presents a foundation for high quality research within multiple contexts, ultimately required to address the current lack of knowledge regarding the nature of value and means of its measurement.

12.1.1.2 A Multi-Dimensional Model of Customer Value

The model of value dimensions derived from the qualitative element of this study and presented in Table 57 offers novel insights into the nature of customer value at the first-order level. While the dimensions themselves are potentially context specific and thus make a direct contribution to practice (see Section 12.1.2), the previously unspecified types and modes of perceptions offer novel, potentially generic insights regarding customer value perception in the form of a framework, logically applicable in multiple consumption contexts. Due to the sound conceptual underpinning and rigorous empirical derivation of the model, the resulting framework of value types and modes of perception offers greater validity of insight than arises from pre-existing typologies (Holbrook, 1999; Sheth et al., 1991). Furthermore, while the producers of pre-existing typologies sought to present models of value in the form of specific dimensions (e.g. functional, emotional), applicable in multiple contexts (Sheth et al., 1991), the framework derived here depicts the *scope* of value perception, without specifying the exact nature of customer perception. Thus, while pre-existing typologies are subject to criticism for their unduly generic and potentially unrepresentative nature (Sanchez-Fernandez and Iniesta-Bonillo, 2007), the framework arising from this investigation does not preclude context-

driven complexity or idiosyncrasy. Moreover, the identification of restorative, actualising and hedonic dimensions, perceived via individual, reflected or shared modes of perception extends Woodruff's (1997) conceptualisation of value as goal-driven, by crystallising the goals of relevance to value recognition. Personal goals remain a complex topic of investigation (Gutman, 1997). However, the development of the customer value framework within this study presents direction as to the goals of relevance.

Contributions also arise from the resulting insight regarding the nature of customer value at the more abstract, overall level of perception. As Section 10.4.1 notes, a subset of all identified value dimensions were found to contribute to overall perceptions of value. This observation provides empirical confirmation of the need proposed by Lin et al. (2005) for the consideration of value perception at both the first and second-order level, if the nature of the concept is to be truly identified.

12.1.1.3 Value arising from Customer Experience

The qualitative research findings highlight, via the identification of a series of value-generating interactions (Table 58), that value arises from customer experience, rather than from the recognition of pre-designed benefits embedded within customer propositions. A contribution to knowledge of customer value thus arises in the form of empirical evidence of the relationship between customer value and customer experience, proposed by authors advocating an experiential approach to value conceptualisation (e.g. Lemke et al., 2011; Prahalad and Ramaswamy, 2003) yet previously lacking in empirically derived confirmation. A specific contribution is also made to the service-dominant logic dialogue through the observed evidence of the core principle: that value emerges during a customer's interaction with a firm or its offering via a continuous process of co-creation (Payne et al., 2008; Vargo and Lusch, 2008). Furthermore, the output of this investigation has evidenced this particular conceptual feature without introducing new terminology, such as value-in-use (Lusch and Vargo, 2006) or value in the experience (Helkkula et al., 2012) to

the value domain. That is, a partial empirical underpinning of the theoretical service dominant logic is delivered, in the absence of any unnecessary conceptual extension.

The observation of value-generating interactions also results in a contribution to knowledge of customer experience. As Section 4.3 describes, the customer experience dialogue has been dominated to date by a commentary adopting a firm-centric approach to conceptualisation (e.g. Pine and Gilmore, 1998; Schmitt, 1999). As the findings of this study evidence however, value-generating interactions arise in holistic, discrete, direct and indirect forms, from which it can be inferred that elements of the customer experience are beyond the control of the firm. This research therefore provides empirically derived support for the emerging view (Verhoef et al., 2009) of customer experience as a customer-centric phenomenon.

12.1.1.4 Customer Value Scales and Index

The development of measures of value dimensions and overall perceptions of value contributes to the domains of knowledge regarding scale and index development respectively. Specifically, the development and subsequent testing of the value dimension scales provides a robust empirical example of scale development techniques, supplementing the body of literature describing scale development in alternative contexts. The development of an index within this study, in turn, contributes to the growing body of literature describing the development of formative measures and the use of the PLS-SEM technique. Again, a robust empirical example of the application of the relevant techniques is presented.

The value dimension scales and customer value index also represent novel contributions to the value domain, as rigorously derived tools enabling the measurement of customer value in multi-dimensional form, as a second-order construct comprising first-order dimensions of value, rather than of quality as incorporated within previous measures of this nature (Ruiz et al., 2008).

12.1.2 Practitioner Contributions

The findings of this investigation make several, direct contributions to the STV industry, with both short and longer-term implications for the achievement of strategic, value management-related corporate objectives.

In the short term, the presentation of a model of customer value and tools to enable its measurement addresses the immediate need for robust insight regarding the nature of value and the extent to which it is perceived by mature STV customers. Through the use of the index developed within this study, value perceptions can be accurately measured and the relationships between perceived value and specific relational outcomes (e.g. customer satisfaction) identified. The development of realistic and meaningful value-related objectives is therefore supported. The attainment of these objectives can subsequently be tracked, as value perceptions are monitored over time. In addition, due to the manner in which the index is constructed from first-order dimension scales, any changes in the extent of value perceived can be investigated to determine whether an increasing or decreasing perception of a specific value dimension is driving an overall shift. Furthermore, the index may be applied to the measurement of value perceptions of customers of competitor organisations, to determine whether 'more value' is currently perceived as arising from the competitor customer experiences.

In the longer term, the output from this investigation supports the potential for innovation within the customer proposition. For example, using the index and the individual dimension scales, a process of segmentation could be carried out to determine whether specific value profiles exist within the wider STV customer base, with the opportunity to tailor propositions accordingly. Alternatively, the success of innovation designed to enhance perceptions of a specific dimension and increase its contribution to overall perceived value can be determined, with the potential to create differentiation within a crowded market.

In addition to the direct contributions made to the STV industry, due to similarities in customer proposition and associated customer experience, the above contributions apply to the wider mobile interactive entertainment industry.

The tools developed within this study will, however, require some minor refinement to the wording within the measurement items, to ensure they reflect the context of interest.

Beyond those directly applicable to the STV and mobile interactive entertainment industries, the contributions to practitioners arising from this study mirror those derived as theoretical and methodological in nature. That is, the revised conceptualisation of value derived within this investigation presents a strengthened foundation for future value research by practitioners, with the customer value framework providing guidance as to the potential scope of perception. Furthermore, the identification of holistic, discrete, direct and indirect value-generating interactions clarifies the necessary locus of investigation. From a methodological perspective, and as described in Section 12.1.3, contributions to future practitioner research arise in the form of recommendations. Specifically, the requirement for an in-depth empirical investigation, grounded within the context of interest, an experiential approach to data collection, the incorporation of a pre-study exercise and, in the event of measurement development, the adoption of a two-stage methodology. In essence, this study presents a robust foundation for future value research within both practice and academia.

12.1.3 Methodological Contributions

In addition to the contributions described in Section 12.1.1.4 to the scale and index development literatures, this investigation gives rise to methodological contributions of relevance to future customer value research. This study has designed and implemented a detailed, empirically grounded process of customer value investigation, with the resulting output and contributions to knowledge as described in Sections 12.1.1 and 12.1.2. Much of the detail within the research design is tailored to the context of interest. However, a series of recommendations duly arises, of relevance to studies of value in multiple contexts. These recommendations are strengthened by the recognition within propositions 2 and 6 (Section 11) of the superiority of the multi-

dimensional model and customer value index derived within this investigation. The recommendations are: undertake empirical research to determine the nature of customer value perceived in a given context, adopt an experiential approach to data collection, employ a pre-study exercise and apply a two-stage methodology to measure development. Each recommendation is discussed in turn, in Sections 12.1.3.1 to 12.1.3.4.

12.1.3.1 Undertake Empirical Customer Value Research Within the Context of Interest.

This initial recommendation is derived from the observed granularity and comprehensiveness of insight derived from phase 1 of this investigation. The context specific nature of customer value is well documented (Vargo and Lusch, 2004, Yang et al., 2002). However, the comparison of the empirically derived model with pre-existing typologies of value dimensions (Holbrook, 1999; Sheth et al., 1991) highlights that despite the supposed generic nature of the latter, their application to studies of value would, in all likelihood, yield partial and flawed findings. The dimension categories and modes of perception interpreted in phase 1 present a framework with potential applicability in multiple contexts and the aim of its derivation is to guide future research endeavours by illustrating the scope of diversity within value perceptions, thus supporting the development of comprehensive insight. However, to achieve the required level of granularity of insight within each category requires robust empirical investigation within the specific context of interest.

12.1.3.2 Adopt an Experiential Approach to Data Collection

The experiential approach adopted within this study was embedded within the underlying conceptual framework, as value is defined as arising from customer experience. This element of the conceptualisation was subsequently operationalised through the research design, as interviews sought to examine the holistic customer experience of 'being an STV consumer' rather than a

specific type of interaction (e.g. usage). Moreover, the inclusion of multiple household members within the interview sessions further facilitated the desired experiential approach, by enabling the capture of shared value perceptions as people discussed their STV customer experiences as a group, rather than as individuals. The adoption of an experiential approach subsequently enabled the development of a multi-dimensional model of customer value offering greater granularity and comprehensiveness than previously produced typologies of Holbrook (1999) and Sheth et al. (1991), thus presenting incremental insights to knowledge. The recommendation duly arises for the adoption of an experiential approach within future studies of value, in order to achieve the required quality of insight.

This recommendation to adopt an experiential approach does not, however, extend to the specification of a set of ideal data collection techniques. The means of data collection employed within this investigation reflects the context of interest. For example, individuals within a household may frequently consume STV together (Epp and Price, 2008; Lull, 1990), resulting in a series of shared customer experiences and value perceptions. Consequently, interviews with household groups were carried out in order to access these experiences. Alternative contexts may differ in the extent to which experience are, or can be shared, necessitating the use of alternative research techniques.

12.1.3.3 Employ a Pre-Study Exercise

As discussed in Section 9.2.1.3, phase 1 participants were requested to complete a pre-interview real-time experience tracking exercise (Baines et al., 2011; Macdonald et al., 2012). This aimed to encourage a period of respondent self-reflection prior to their discussions, to reduce the risks of flawed participant recollection (Leonard and Rayport, 1997) and to provide data regarding actual (rather than theoretical) interactions and outcomes for further investigation during the interviews. The extent to which the exercise successfully enabled the capture of additional insight is difficult to assess. However, the tracker data frequently formed the basis of fruitful discussions during interviews, as

evidenced by the excerpts in Section 10.1 that are shown as having arisen from a tracker text message. It can therefore be concluded that a pre-interview real-time experience tracking exercise is supportive of the generation of in-depth customer value insight.

As with the operationalisation of an experiential approach described in Section 12.1.3.2, the actual technique and process employed in capturing pre-interview data in real-time will depend on the context of investigation. While STV consumers are likely to have multiple, easily communicable, relevant interactions within a relatively short period of time, other contexts may be more difficult to access, thereby necessitating an alternative means of data capture.

12.1.3.4 Apply a Two-Stage Methodology to Measure Development

As described within Section 9.2.1.4, a two-stage approach was adopted within this investigation, in which first-order scales were initially developed using procedures propounded by Churchill (1979) and an index was subsequently produced following the process outlined by Diamantopoulos and Winklhofer (2001), Hair et al (2006) and Hair et al, (2011). This two-stage approach appears worthy of merit and replication, due to the superiority of measures that results.

Previous measures of value, such as those developed by Mathwick et al. (2001), Sanchez-Fernandez et al. (2009), Sweeney and Soutar (2001) and Ruiz et al. (2008) adopted a one-stage approach, focussing either on the development of first-order scales (Mathwick et al., 2001; Sanchez-Fernandez et al., 2009 and Sweeney and Soutar, 2001) with no consideration of measurement at the second order level, or on the production of a second-order index (Ruiz et al., 2008) using pre-existing first-order measures. As discussed in Section 11.2.1, these previously published value measures present limited validity. In contrast, the scales and index derived within this index overcome many of the limitations associated with these existing measures and offer superiority of measurement. This superiority arises, in part, from the two-stage

approach to measure development and the associated rigour with which each tool was derived.

12.2 Limitations

The findings and associated contributions arising from this investigation are subject to a series of limitations. In Section 12.2.1, limitations resulting from the context of study are described, and those arising from the sampling approach are discussed in Section 12.2.2. Section 12.2.3 describes a series of limitations observed in relation to the qualitative phase of the overall research process, relating specifically to the process of data collection and the applied external coding checks. In Section 12.2.4 limitations arising from the quantitative approach to data collection and analysis are highlighted.

12.2.1 Limitations Arising from the Context of Study

The research endeavours within this investigation have sought to derive insights of maximum relevance to the overall domain of customer value. This is reflected in the selection of STV consumption as the context of interest. As a lifestyle activity adopted by a large and diverse proportion of the UK population, the research within this context aimed to derive insights of maximum relevance and impact. However, this remains a study in single business-to-consumer context and despite the benefits afforded by the nature of STV consumption (frequent interactions within diverse customer experiences), it must be acknowledged that the findings and contributions of this investigation might not apply in alternative, drastically different scenarios. For example, while the STV industry is characterised by the continuous advancement of interactive technology, the customer experiences arising in respect of more 'basic', less technology-based offerings (e.g. foodstuffs) might differ to such an extent that the contributions to knowledge do not apply to value perceptions within these alternative contexts.

Furthermore, the choice of STV consumption as the context of study presents potential limitations due to the negative connotations associated with excessive TV consumption. Specifically, TV viewing has been linked to poor health and obesity (Sigman, 2012), and has been viewed as an indicator of lower social class (Gutman, 1973), opinions acknowledged and largely accepted within the public domain due, ironically, to their promotion via mass media, including TV (Gilani, 2012). As a result, participant responses may have been deliberately tempered, to avoid expressing the true extent of their STV consumption and value derived therefrom. The research findings may therefore be subject to social desirability bias, which arises from respondents' desire to project a positive image (Fisher, 1993). For example, within the qualitative phase of the investigation, interviewees may have sought to portray a desired image to the interviewer and to other household members, while in the quantitative phase, survey respondents may have felt unwilling to admit the true extent of consumption and value perceptions to themselves.

A final contextual limitation arises from the time period of the investigation. Data collection occurred over a single seven-month period, during which time no major technological innovations were incorporated within the STV customer propositions and economic conditions remained stable, if somewhat challenging. These latter conditions may have influenced the value perceived by the respondents. For instance, new and complex technology might impact perceptions of ease of use value and result in a significant impact on overall value perceptions. Moreover, the observed relevance of reduced expenditure value within the customer value index may be the result of the difficult economic climate that prevails within the UK. Consequently, the contributions of this investigation might not prove to be relevant in future.

12.2.2 Limitations Arising from the Research Sample

As described in Section 9.4.2 the sample recruited within phase 1 of the investigation included a larger than ideal proportion of subscribers to dedicated sports channels, introducing a potential bias in the form of an excessive

emphasis on sports consumption-related interactions, outcomes and value perceptions. However, as the phase 1 sample included an equal number of participants without sports channels the impact of this potential bias is felt to be minimal.

More broadly, the findings of the investigation are limited by the restriction within the entire study sample to long-term STV subscribers. While this supported the objective of identifying derived, rather than anticipated value, the exclusion of new and previous subscribers from the sample introduces a second source of bias within the findings. To some extent, however, the approach to questioning within the qualitative interviews sought to avoid excessive bias of this nature, by capturing historical interactions within the holistic customer experiences, from which value arises. However, the longer-term consumers may simply have forgotten certain interactions and outcomes and as such the potential for bias within the findings is not completely prevented.

12.2.3 Limitations Arising within the Qualitative Investigation

A series of limitations arise from the approach to data collection adopted within the qualitative phase of this investigation. First, while the use of the real-time experience tracking pre-interview task enriched the data and supported the desired comprehensiveness of findings, the risk exists that participants were sensitised to their interactions within the tracker period. Indeed, on a number of occasions interviewees commented that 'they wouldn't normally have noticed' a particular occurrence. To some extent these limitations were addressed during the interviews as responses were probed in depth. The possibility of an element of resulting bias within the data nonetheless exists. Furthermore, participation in the experience tracker was inconsistent among respondents, with some of those requested to complete the tracker unable or unwilling to do so. Reasons for non-participation varied, with some respondents claiming to have insufficient time while others found the process overly complex or confusing. Others simply stated they had forgotten about the pre-interview

process. Consequently, it is possible that full benefits of the real-time tracker were not realised within this investigation.

Second, the interviewing of household groups presents the risk that household members (e.g. younger family members or new housemates) might monitor their responses, so as to present a desirable image to their fellow household members. Similarly, the dominant voice within a household might have influenced the remaining group member. Or, the desire to present a 'happy, healthy family' might have resulted in biased responses and a potential overemphasis on the perception of shared value dimensions. While these issues are, to a large extent, offset by the proportion of interviews held with individual consumers, a further potential for bias within the research findings subsequently arises. Indeed, an undue emphasis on shared value dimensions within interviews might explain the subsequent exclusion of all dimensions perceived in a shared manner from the customer value index.

Third, while qualitative participants were questioned and their responses probed in depth to determine outcomes from experience, from which value perceptions duly arose, phase 1 of the investigation did not undertake to examine overall value at the second-order level. This could be viewed as an oversight as, for example, asking participants to rank the relevant outcomes in order of preference would have given some indication as to those most likely to impact overall value. The resulting data could have been viewed in conjunction with that arising from phase 2 of the investigation. The rationale for excluding any examination of value at the overall level related to the potential complexity of the task. To ask respondents to consider the full variety of articulated outcomes and make a reasoned assessment of their relative importance was felt to be difficult to achieve without the introduction of alternative interview techniques, such as repertory grid. As Section 9.4.3 notes, interviews lasted approximately one hour and it was felt that to extend the sessions to incorporate an exercise of this nature would result in respondent fatigue and responses of poorer quality. The omission of any consideration of value at the second-order was subsequently addressed in phase 2 of this investigation.

In addition to the issues arising from the collection of qualitative data, a further potential limitation arises in respect of the external coder checks described in Section 9.4.5.1. Specifically, in stage 2 the external coders reported that the supplied quotations were of a length that frequently resulted in their reflection of multiple value dimensions, rendering the allocation of individual quotations to a specific dimension problematic. The quotations had been kept deliberately long enough to present some context in respect of the relevant comment. In response to the feedback from stage 2 coders, the quotations were duly shortened prior to circulation within stage 3. However, subsequent feedback from the external coders in stage 3 noted that, in some instances it was difficult to interpret respondent meaning due to the lack of context provided within the quotation. Overall, due to the three-stage approach to external-coding checks adopted within this study and in particular, the depth of analysis undertaken in stage 1, the output can be viewed as supporting the validity of the multi-dimensional model of value derived from the qualitative investigation. However, the limitations observed regarding stages 2 and 3 of the process cast doubt on the validity of that element of the external coder process.

12.2.4 Limitations Arising within the Quantitative Investigation

A review of the process of quantitative data collection highlights additional study limitations. Specifically, the complexity of the typology derived in phase 1 and the need to incorporate measures of non-value constructs led to a long question set being issued to respondents. The risk exists that respondent fatigue (or even boredom) negatively impacted the quality of data. For instance, statements considered towards the end of the questionnaire may not have been given due consideration. In addition, the design of the measurement items entailed the use of concise statements to capture abstract, subjective perceptions. The risk arises that the statement may not have triggered the recognition by the participant of a relevant outcome and associated value perception. This is particularly relevant to historic or infrequent value

perceptions, and may account for the relatively low proportion of value dimensions represented within the customer value index.

Considering the quantitative analyses undertaken within this study, the absence of a previously developed, conceptually sound measure of overall value with proven psychometric qualities presented a challenge, as index evaluation via PLS-SEM necessitated the incorporation of an overall measure of value. As Section 10.3 notes, a measure of overall value was therefore developed in conjunction with the dimension scales. However, this scale lacks rigorous testing in multiple contexts. Any limitations of the scale are thus currently unrecognised and may have impacted the outcome of the index analysis. While this subsequently represents a limitation, it was unavoidable due to the current lack of robust customer value measures.

Finally, due to a lack of access to further data, the customer value index derived within this investigation remains untested. Conclusions as to its applicability within the context of interest and its superiority over existing measures are subsequently tentatively drawn.

12.3 Future Research Directions

The findings of this investigation present a foundation for future customer value research and the development of further contributions to knowledge, both within the context of STV and mobile interactive entertainment consumption and beyond.

A series of investigations is required in relation to those areas identified by this study as requiring further examination. Specifically, as discussed in Section 11.1.3, the perception of value at the first-order dimension level requires further study, to determine the extent to which dimensions present temporary vs. enduring contributions to overall perceptions of value, reflect hygiene factors, and exist in hierarchical form.

Within the context of STV, as previously noted in Section 12.1.2, the findings of this study enable the investigation of the relationship between customer value and key relationship and customer behavioural outcomes. The potential also exists to apply the customer value framework and measurement tools developed within this investigation, to a longitudinal study of customer value. Specifically, an investigation of value arising from customer experience prior to, during and post-subscription would enable the development of insight regarding the evolution of value perceived by individual consumers and household groups. Within this longitudinal investigation, the monitoring of value perceptions at both dimension and overall levels around potentially critical interactions within the customer experience would provide knowledge regarding the associated impact of such events on value perceived. Such critical interactions might include the receipt of a subscription renewal letter or the failure of equipment.

In addition, the output of this investigation could reasonably be adapted to a study within the context of STV consumption of *anticipated* value, the findings of which would supplement the knowledge of value evolution and determine the diversity, nature and influence of anticipated value, and the extent to which perceived value is in line with expectations.

Beyond the contexts of STV and mobile interactive entertainment consumption, future research might entail the testing of the value framework derived from this investigation within alternative contexts. The resulting insights regarding value at the first-order dimension level can then be applied to measure development, following the methodological recommendations outlined here. To develop a full understanding of the nature of value and the extent to which it is perceived by customers requires investigation within diverse contexts. Investigations should be extended beyond the consumer domain to investigate value perceived by business customers. The possibility exists for an extensive programme of research and the development of value frameworks and associated measures, of relevance to sole trader, small business and larger corporate customers.

Furthermore, this research highlights a series of value-generating interactions and associated outcomes from which value is derived. To fully understand the mechanism by which value arises from customer experience (in any context) requires an investigation into *why* an outcome arising from experience is deemed to be positive or negative. That is, further research is necessary to understand the criteria applied by consumers when appraising outcomes. The findings of this research would present contributions to knowledge of customer value and also extend the current body of insight within the customer-centric customer experience domain.

Finally, the qualitative phase of this investigation yielded insights into consumer behaviours, the detailed consideration of which is outside the scope of this thesis. Opportunities for further research within the context of STV consumption are consequently identified, however, which extend beyond the direct examination of customer perceived value. First, evidence of identity conflict arising from STV consumption emerged from the qualitative data, both within and between interviewees. Identity conflict is experienced by individual consumers where a specific consumption activity entails the contemporaneous enactment of desired and undesired identities, or necessitates a choice between multiple desired identities (Wu et al., 2011). Identity conflict also emerges between consumers when consumption behaviours enact incompatible identities (Bennett et al., 1988). Consumers experiencing identity conflict adjust their patterns of consumption, re-establishing overall identity coherence (Ahuvia, 2005). Such adjustments might include reduced or discontinued consumption, with a resulting detrimental impact on the performance of the providing firm. An investigation into the identity conflict arising within households from their STV consumption would, through its focus on a continuous, shared consumption context, extend current knowledge of identity conflict. Furthermore, contributions to practice within the STV industry would arise. Specifically, an understanding of the nature of identity conflict and the means by which consumers seek to overcome it would enable firms to adjust their customer proposition, so as to prevent its emergence and facilitate

its resolution, thus enhancing customer experiences and minimising the potential detrimental impact on performance.

Second, evidence emerged of routine behaviours, centred on STV consumption. The presence of these regular, materially-mediated behaviours implies the existence of STV consumption practices. Practices are defined by Reckwitz (2002) as “routinised types of behaviour which consist of several elements, interconnected to one another: forms of bodily activities, things and their usage, a background of knowledge in the form of understanding, know-how, states of emotion and motivational knowledge” (Reckwitz, 2002, p. 249). An investigation into STV consumption practices could identify their presence and nature, and examine their evolution as technology is enhanced and behaviours adapt accordingly (Magaudda, 2011). Moreover, a detailed understanding of these practices would identify any current barriers to their enactment (Rettie et al., 2012), resulting in contributions to the practices domain of knowledge and to the STV industry, in the form of insights regarding the associated potential for enhanced STV customer experiences.

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Appendix A - Interview Protocol

1. Introductions

2. Opening Statements

“You recently completed a tracker in respect of brands of multi-channel TV providers. One of the brands we asked you to track was your STV provider. As a customer of that STV provider we’d like to know a bit more about your experiences of having STV.

This is just a general discussion and there are no wrong answers. If there’s anything you don’t want to discuss or any question you don’t want to answer, that’s fine. All the information you give us will be treated as confidential and used by us to produce a report for STV Co. We may also use some of the information for purposes such as teaching or as examples within our own business. If so then we’ll keep your personal details private.

Are you happy for me to record this interview? The recording won’t be shared with anyone outside of this project and will help me focus on our conversation rather than taking lots of notes as I go along”

3. General STV Questions – to get them thinking about STV.

What STV services do you subscribe to? (Breakdown into constituent parts and prompt for things like broadband etc).

How long have you had STV?

Do you plan on keeping it? If not, then why not?

4. General Experience Questions – to elicit interactions and outcomes.

What do you like about having STV?

What don’t you like about having STV?

Tell me about a time when you felt glad you had STV.

5. Specific Tracker Data Questions – to investigate interactions, and outcomes.

“Looking at your tracker data there are a couple of occasions you seemed to feel quite strongly about” Can you tell me a bit more about that?

Extend questioning to other interviewees.

6. Capturing other interactions, responses and outcomes (NB if required and/or time allows)

“We only asked you to complete the tracker for a week and you didn’t experience all the possible types of contact with brands”. For example you didn’t text that you had <*e.g. had a conversation*>.

Does this ever happen? <NB – phrase appropriately!>

Can you tell me a bit more about that?

Extend questioning to other interviewees.

Laddering Probes (for use throughout)

Why did/does that matter to you?

How did/do you feel about that?

Appendix B – Real-Time Experience Tracking: Participant Instructions

The following instructions were provided to respondents undertaking the pre-interview, real-time experience tracking exercise and replicate standard procedures employed by the firm providing this research technique.

For the next 7 days we'd like you to become a researcher on multi-channel TV brands and Channels. To take part, we would like you to text us, answering 4 simple questions every time you see, hear or experience anything to do with any of these brands or the brands channels as you go through your normal daily routine:

1. Which brand was it?
2. What was the occasion?
3. How did it make you feel?
4. How likely it made you want to switch to/stay with this brand?

TO GET STARTED...

To get enrolled onto the diary, simply text **homent to 60095**, which is a freetext number. You'll shortly afterwards receive a couple of texts; one welcoming you to the study, and the next text provides you with the codes to text in as 'answers' to the above 4 questions, whenever you have an experience. (Please don't delete this text.)

TEXTING IN...

The number to text is **60095** but you can simply reply to the texts we send you

You'll be texting a 4-character code every time you have a relevant 'experience'; e.g. something like BA55 or ba55. We'll text you which possible answers the codes refer to, but here's a heads-up, in case you'd like you'd like to refer to this email:

Q1: Which brand/channel was it?

Text a for Co1

Text b for Co2

Text c for Co3

Text d for Co4

Text e for Co5

Text f for Co6

Q2: What was the occasion?

Text a for 'TV'

Text b for 'Cinema'

Text c for 'Poster'

Text d for 'Newspaper'

Text e for 'Magazine'

Text f for 'Online'

Text g for 'Radio'

Text h for 'Conversation'

Text i for 'Mailing/leaflet'

Text j for 'In Store/Stand'

Text k for 'Other'

Q3: How did it make you feel?

Text 5 for 'Very positive'

Text 4 for 'Fairly positive'

Text 3 for 'Neutral'

Text 2 for 'Fairly negative'

Text 1 for 'Very negative'

Q4: How likely did it make you want to switch to/stay with this brand?

Text 5 for 'Much more likely'

Text 4 for 'Slightly more likely'

Text 3 for 'No difference'

Text 2 for 'Slightly less likely'

Text 1 for 'Much less likely'

For example, if you saw a good advert for Co1's products or programs on the television and it made you smile and feel fairly positive but made you slightly less likely to switch to/stay with that brand next time you might text AA42

(When we say products we mean products such as broadband internet, HD TV or a combination of products etc. When we say programs we are referring to channels such as Movies or Sports and programs such as Lost and The Simpsons.)

We are not only interested in what you are experiencing but when you experience it too, so please send us a text as close to the experience as possible. We will take this from the time you send the text. If you forget to text and realise later, just send a text straightaway. Better late than never!

Appendix C - Inter-Coder Check Briefing Documents

C.1 Stage 1 Briefing Note

Thank you for agreeing to help with this study! The research aims to identify the value perceived by customers of subscription TV (STV, e.g. Sky or Virgin Media) and associated services as arising from their overall experiences of consuming these services.

Customer value is defined as: *the extent to which an individual perceives the outcomes arising from customer experience as positive and personally beneficial.*

That is, value arises from the perceptions of positive outcomes and is reduced by negatively perceived outcomes.

Your task is to review the attached interview transcript and:

- Identify instances where respondents describe outcomes from their experiences as STV consumers
- Consider the value arising from each outcome; give the value a title or a name to summarise/describe it.

Example quotations and potential types of value:

“... You can be watching something, but if something else is on that someone else wants to watch, then you can record that...”

The outcome here is positive: avoiding conflict among family members, giving rise to ‘household harmony’ value.

“... The recording side of it is a massive advantage... you can tailor it to your own life.”

Positive outcome = having control over your TV watching. Type of value = control.

Some important notes:

- The focus is on perceptions of value from consumption and not the value anticipated at the point of purchase.
- Value is distinct from quality, which is focussed on product or service attributes, rather than the outcomes of consumption. For instance, the fact that the STV technology is well made is an expression of perceived quality. However, where this quality results in customers being confident in the performance of their box, that is an outcome with an associated value perception.
- This work aims to capture value beyond that which arises from physical product usage (i.e. TV watching, recording etc.) to include indirect consumption experiences, such as talking about STV with colleagues.
- Sometimes the absence of value may be expressed. For example where the STV equipment has failed. These quotes may capture value that is effectively 'taken for granted' and is only really perceived when it is lost.
- Part of the transcript makes reference to text messages. This was a pre-interview task to capture value perceptions as they occurred in real-time. The interview process converted this data into narrative form however, so the actual text details are not relevant at this stage.

Reporting

You can either print out a copy of the transcript, make notes on it and send it back to me. Alternatively you can mark up a copy in word.

Once I have your coding I will review it against my own. We will then meet to discuss our respective findings.

C.2 Stages 2 & 3 Briefing Note

Thank you for agreeing to help with this study! This research aims to identify the value perceived by customers of subscription TV (STV) and associated services (e.g. STV) as arising from their overall experiences of consuming these services.

Customer value is defined as: *The extent to which an individual perceives the outcomes arising from customer experience as positive and personally beneficial.*

That is, value arises from the perceptions of positive outcomes and is reduced by negatively perceived outcomes.

For this task you need:

1. Document 1: A set of 16¹⁶ pages, each of which shows an individual value type (construct) derived from the qualitative data, along with its definition.
2. Document 2: A series of 80¹⁷ numbered quotes, extracted directly from interview transcripts.

If either of these documents is missing, please let me know.

Your task is to review each quote and determine which of the 16 value types you feel the respondent is describing.

Coders are asked to:

1. Print out document 1 so that each construct and definition appears on a separate sheet A4 page.

¹⁶ This figure refers to stage 3 of the process. In stage 2, coders were provided with 20 pages, showing the value dimensions prior to the exclusions described in Section 9.4.5.1.

¹⁷ This figure also refers to stage 3 of the process. In stage 2, coder were provided with 118 quotations,

2. Allocate each quote to a value type. Ideally this can be done by printing document 2, cutting out each quote and attaching it to the relevant page. This will allow you to compare and contrast the quotes as you go along and potentially challenge/update your own interpretation. Alternatively, you can simply type the numbers of the quotes onto the relevant pages.
3. Then you can scan the pages and email them to me OR leave the pages in my pigeonhole in building 3. If you choose this latter option please let me know!

Notes

1. Within this research value is conceptualised as arising from experience. Hence many of the quotes are describing consumption experiences and occurrences. Your task is to determine which of the value types is being perceived by the respondent in each case.
2. All quotes are captured from existing users of STV and associated services.
3. If there are quotes that you don't feel reflect ANY of the value constructs, please keep a note of them on a separate sheet.
4. If you feel a specific quote is describing more than one value type, please allocate it to the one that you feel it relates to most strongly.
5. Some of the quotes are describing negative outcomes. That is, a type of value which is perceived as being absent or reduced. In these instances please allocate the quote to the value types that are being described as lacking or absent.

Any queries, please let me know!

Appendix D – Dimension Scale Development: Questionnaire

The questionnaire was presented and completed online. The introductory text and instructions to respondents were as shown below. A series of screener questions were incorporated to ensure sampling requirements were met. In addition, respondent demographic information was collected, enabling the analysis in Section 9.5.1.3. For reasons of parsimony these questions are excluded from this appendix.

Introduction:

We are carrying out a survey to discover how you feel about your multi-channel TV service. Multi-channel TV services include features such as multiple TV channels and exclusive programming, hard-drive recording facilities, broadband internet and land line telephone services. There are no wrong or right answers to these questions – we are just interested in your own experiences.

To take part you need to complete the following online questionnaire in full by <enter a date 2 days from the date of invitation>. For taking part you will receive a payment of <£TBC> to your account after you complete the questionnaire in full. If you'd like to join in, just click NEXT

Instructions

On a scale of 1 – 7, where 1 is strongly disagree and 7 is strongly agree, please indicate how much agree with each of the following statements. Please think about your complete experience of <relevant STVco>, including the different parts of your package (such as TV, broadband and telephone if applicable) as

well as any contact you have with <relevant STVco> for example, if you receive any magazines or mailings from them or if you contact them yourself.

Some of the statements may seem similar to you, but please think about each one individually and give a response to all of them.

Scale

1	2	3	4	5	6	7
Strongly Disagree			Neither Agree nor Disagree			Strongly Agree

The following statements were then displayed in random order. In each case the STV company indicated by the respondent as their current provider was reflected in place of the term 'STV Co'.

Value Dimension	Measurement Items
Entertainment	ET1: <STV CO>provides me with entertainment. ET2: Without <STV CO>I would have less entertainment. ET3: <STV CO>helps me avoid feeling bored. ET4: I get enjoyment from my <STV CO> package. ET5: <STV CO>provides entertainment when I've got nothing to do. ET6: <STV CO>helps me spend time in an enjoyable way. ET7: My <STV CO> package provides a variety of entertainment options.
Relaxation	RX1: My <STV CO>package helps me relax. RX2: <STV CO>makes it easy for me to unwind. RX3: I can become free of tension because I have <STV CO>. RX4: Relaxation is easy because of my <STV CO> package. RX5: I can forget about my responsibilities because I have <STV CO>. RX6: If I didn't have <STV CO> I would find it harder to relax.

Stimulation	<p>SV1: My <STV CO>package provides stimulation for my mind.</p> <p>SV2: Because I've got <STV CO>, I get more emotionally involved with what I'm watching.</p> <p>SV3: I get excitement from my <STV CO> package.</p> <p>SV4: <STV CO>helps me feel exhilarated.</p> <p>SV5: Because I have <STV CO>I can become totally absorbed in what I'm doing.</p> <p>SV6: If I didn't have <STV CO> I would have less mental stimulation.</p> <p>SV7: If I didn't have <STV CO> I would have less emotional stimulation.</p>
Comfort	<p>CF1: Having <STV CO> means I can watch TV in comfort.</p> <p>CF2: Watching TV is more physically comfortable because I have <STV CO>.</p> <p>CF3: Having <STV CO> means I can be entertained in the comfort of my own home.</p> <p>CF4: Because I have <STV CO>, I can avoid physical discomfort whilst being entertained.</p>
Companionship	<p>CP1: <STV CO> keeps me company when I'm home alone.</p> <p>CP2: <STV CO> can provide welcome background noise.</p> <p>CP3: My <STV CO>package provides company when I've got no-one to talk to.</p> <p>CP4: I don't feel alone because I have <STV CO>.</p> <p>CP5: <STV CO> provides me with companionship.</p> <p>CP6: Having <STV CO>helps me feel less lonely.</p>
Knowledge Enhancement	<p>KV1: <STV CO>gives me access to information which I wouldn't have otherwise.</p> <p>KV2: <STV CO> helps me to be knowledgeable.</p> <p>KV3: I have access to the most up to date information through <STV CO>.</p> <p>KV4: I keep my knowledge up to date with<STV CO>.</p> <p>KV5: I learn new things from my <STV CO> service.</p> <p>KV6: <STV CO> helps me learn about things that are happening in the world.</p>
Household Harmony	<p>HH1: Having a <STV CO> package reduces conflict between people at home.</p> <p>HH2: I have fewer arguments because of <STV CO>.</p> <p>HH3: Relationships at home are more peaceful because of <STV CO></p>

	<p>HH4: Having <STV CO> causes arguments at home.</p> <p>HH5: People in my home argue less because of <STV CO>.</p>
Relationship Support	<p>RS7: Friendships are strengthened because I have <STV CO>.</p> <p>RS8: Having <STV CO> helps me build relationships with people.</p> <p>RS9: Relationships which matter to me are stronger because I have <STV CO>.</p> <p>RS10: Having <STV CO> helps me to protect relationships which are important to me.</p>
Altruistic Gratification	<p>AG1: Having <STV CO> means I can offer things to other people</p> <p>AG2: Having <STV CO> allows me to help other people</p> <p>AG3: I feel happy because other people enjoy my <STV CO> package.</p> <p>AG4: I feel good about myself because people other than me benefit from my <STV CO> package.</p> <p>AG5: It matters to me that other people enjoy my <STV CO> package</p> <p>AG6: It's important to me that other people benefit from my <STV CO> package</p>
Self-Esteem	<p>SE1; Having <STV CO> helps me feel like I'm equal to other people.</p> <p>SE2: I have respect for myself because I have <STV CO>.</p> <p>SE3: I feel a sense of pride because I have <STV CO>.</p> <p>SE4: Having <STV CO> boosts my self-esteem.</p> <p>SE5: My <STV CO> package helps me feel good about myself.</p> <p>SE6: If I didn't have <STV CO> I would feel inferior to other people.</p>
Status	<p>ST1: People respect me because I have <STV CO>.</p> <p>ST2: I am highly thought of by other people because I have <STV CO>.</p> <p>ST3: Having <STV CO> increases my status within my peer group.</p> <p>ST4: My friends would have a lower opinion of me if I didn't have <STV CO>.</p> <p>ST5: If I got rid of <STV CO> my friends would think less of me.</p> <p>ST6: My social standing is better because I have <STV CO> .</p>

Reduced Expenditure	<p>RE1: I save money because of<STV CO>.</p> <p>RE2: The benefits I get from <STV CO> would cost more from other companies.</p> <p>RE3:I could pay less money to other companies and get the same benefits as I get from <STV CO>.</p> <p>RE4: The benefits I get from <STV CO> are cheaper from other companies.</p> <p>RE5: Having <STV CO> is cheaper than paying for other types of entertainment.</p>
Control	<p>CO1: <STV CO>makes it easy for me to do what I want, when I want.</p> <p>CO2: I can watch what I want, when I want because I have <STV CO></p> <p>CO3: Having <STV CO> gives me control over my time.</p> <p>CO4: Having <STV CO> means I am not at the mercy of TV schedules.</p> <p>CO5: I can choose how I spend my time because I have <STV CO>.</p> <p>CO6: I don't have to make compromises about how I spend my time because I have <STV CO>.</p> <p>CO7: Having <STV CO> means I can decide for myself what I want to do.</p>
Assured Performance	<p>AP1: The technologyI have from <STV CO>is reliable.</p> <p>AP2: I trust my <STV CO> system not to fail.</p> <p>AP3: My <STV CO> system never lets me down.</p> <p>AP4: My <STV CO> system often breaks down.</p> <p>AP5: I have confidence in the technology I have from <STV CO>.</p>
Ease of Use	<p>EU1: It is easy to get my <STV CO> system to do what I want it to do.</p> <p>EU2: I am used to using <STV CO>.</p> <p>EU3: <STV CO> is familiar to me.</p> <p>EU4: Using <STV CO>'s technology is hassle-free.</p> <p>EU5: Using <STV CO> requires a lot of effort.</p> <p>EU6: I am so used to using <STV CO> I no longer have to concentrate on what I'm doing.</p> <p>EU7: I spend a lot of time making my <STV CO> system do what I want.</p> <p>EU8: I get frustrated when I use the technology I have from <STV CO>.</p>

Reciprocity	<p>RP4: <STV CO> rewards customers who are loyal to them.</p> <p>RP7: <STV CO> values me as a customer.</p> <p>RP8: <STV CO> is grateful to me for being a customer.</p> <p>RP9: <STV CO> appreciates my commitment to them.</p>
Overall Value	<p>OV1: Overall I feel I get a lot of value from <STV CO>.</p> <p>OV2: Overall <STV CO> is a valued part of my life.</p> <p>OV3: Overall I think I get a lot of benefits from <STV CO>.</p> <p>OV4: Overall I benefit a lot from having <STV CO>.</p>
Customer Satisfaction	<p>CS1: Overall I am satisfied with <STV CO>.</p> <p>CS2: I am satisfied with the performance of my <STV CO> package.</p> <p>CS3: I think the decision to get <STV CO> was a good one.</p> <p>CS4: The facilities from <STV CO> are exactly what I need.</p>
Affective Commitment	<p>AF1: I feel a strong sense of attachment to <STV CO>.</p> <p>AF2: I feel a strong sense of belonging with <STV CO>.</p> <p>AF3: I feel emotionally attached to <STV CO>.</p>
Calculative Commitment	<p>CC1: It is financially worthwhile to be a customer of <STV CO> rather than of a competitor.</p> <p>CC2: I would suffer economically if I switched from <STV CO>.</p>
Brand Attachment	<p>BA1: <STV CO> is part of me and who I am.</p> <p>BA2: I feel I am personally connected to <STV CO>.</p> <p>BA3: My thoughts and feelings towards <STV CO> are automatic, seemingly coming to mind on their own.</p> <p>BA4: My thoughts and feelings towards <STV CO> come to me naturally and instantly.</p>
Value for Money	<p>VM1: From <STV CO> you get a great deal for your money.</p> <p>VM2:<STV CO> seems good value when I compare the cost of it with what I get from it.</p> <p>VM3: For the money it costs each month my <STV CO>package is good value.</p> <p>VM4: Compared to other forms of entertainment I could pay for, <STV CO> seems good value.</p>
Loyalty	<p>LV1: I am likely to remain a customer of <STV CO>in the future.</p> <p>LV2: It is likely that I will subscribe to more services from<STV CO> over the next few years.</p> <p>LV3:It is likely that I will reduce the services I subscribe to from <STV CO> over the next few years.</p> <p>LV4: I will probably switch to a competitor multi-channel TV</p>

	<p>company in the future.</p> <p>LV5: I will probably give up multi-channel TV in the future.</p>
Customer Advocacy	<p>CA1: I only have positive things to say about <STV CO> to other people.</p> <p>CA2: I have recommended<STV CO> to friends and family.</p> <p>CA3: I talk about <STV CO> more than I talk about other companies I am customer of.</p> <p>CA4: I frequently mention <STV CO> to other people.</p> <p>CA5: When I tell people about <STV CO> I go into great detail.</p>

Appendix E – Index Development Questionnaire

The questionnaire was presented and completed online. The introductory text and instructions to respondents were as shown below. A series of screener questions were incorporated to ensure sampling requirements were met. In addition, respondent demographic information was collected, enabling the analysis in Section 9.5.1.3. For reasons of parsimony these questions are excluded from this appendix.

Introduction:

We are carrying out a survey to discover how you feel about your multi-channel TV service. Multi-channel TV services include features such as multiple TV channels and exclusive programming, hard-drive recording facilities, broadband internet and land line telephone services. There are no wrong or right answers to these questions – we are just interested in your own experiences.

To take part you need to complete the following online questionnaire in full by <enter a date 2 days from the date of invitation>. For taking part you will receive a payment of <£TBC> to your account after you complete the questionnaire in full. If you'd like to join in, just click NEXT

Instructions

On a scale of 1 – 7, where 1 is strongly disagree and 7 is strongly agree, please indicate how much agree with each of the following statements. Please think about your complete experience of <relevant STVco>, including the different parts of your package (such as TV, broadband and telephone if applicable) as well as any contact you have with <relevant STVco> for example, if you receive any magazines or mailings from them or if you contact them yourself.

Some of the statements may seem similar to you, but please think about each one individually and give a response to all of them.

Scale

1	2	3	4	5	6	7
Strongly Disagree			Neither Agree nor Disagree			Strongly Agree

The following statements were then displayed in random order. In each case the STV company indicated by the respondent as their current provider was reflected in place of the term 'STV Co'.

Value Dimension	Measurement Items
Entertainment	ET1: <STV CO>provides me with entertainment. ET2: Without <STV CO>I would have less entertainment. ET5: <STV CO>provides entertainment when I've got nothing to do. ET6: <STV CO>helps me spend time in an enjoyable way.
Relaxation	RX1: My <STV CO>package helps me relax. RX2: <STV CO>makes it easy for me to unwind. RX4: Relaxation is easy because of my <STV CO> package.
Stimulation	SV2: Because I've got <STV CO>, I get more emotionally involved with what I'm watching. SV3: I get excitement from my <STV CO> package. SV4: <STV CO>helps me feel exhilarated. SV5: Because I have <STV CO>I can become totally absorbed in what I'm doing.
Comfort	CF1: Having <STV CO> means I can watch TV in comfort. CF2: Watching TV is more physically comfortable because I have <STV CO>. CF3: Having <STV CO> means I can be entertained in the comfort of my own home.

Companionship	<p>CP3: My <STV CO>package provides company when I've got no-one to talk to.</p> <p>CP4: I don't feel alone because I have <STV CO>.</p> <p>CP5: <STV CO> provides me with companionship.</p> <p>CP6: Having <STV CO>helps me feel less lonely.</p>
Knowledge Enhancement	<p>KV2: <STV CO> helps me to be knowledgeable.</p> <p>KV4: I keep my knowledge up to date with<STV CO>.</p> <p>KV5: I learn new things from my <STV CO> service.</p> <p>KV6: <STV CO> helps me learn about things that are happening in the world.</p>
Household Harmony	<p>HH1: Having a <STV CO> package reduces conflict between people at home.</p> <p>HH2: I have fewer arguments because of <STV CO>.</p> <p>HH3: Relationships at home are more peaceful because of <STV CO></p> <p>HH5: People in my home argue less because of <STV CO>.</p>
Relationship Support	<p>RS7: Friendships are strengthened because I have <STV CO>.</p> <p>RS8: Having <STV CO> helps me build relationships with people.</p> <p>RS9: Relationships which matter to me are stronger because I have <STV CO>.</p> <p>RS10: Having <STV CO> helps me to protect relationships which are important to me.</p>
Altruistic Gratification	<p>AG1: Having <STV CO>means I can offer things to other people</p> <p>AG2: Having <STV CO> allows me to help other people</p> <p>AG4: I feel good about myself because people other than me benefit from my <STV CO> package.</p> <p>AG6: It's important to me that other people benefit from my <STV CO> package</p>
Self-Esteem	<p>SE1; Having <STV CO>helps me feel like I'm equal to other people.</p> <p>SE2: I have respect for myself because I have <STV CO>.</p> <p>SE4: Having <STV CO>boosts my self-esteem.</p> <p>SE5: My <STV CO> package helps me feel good about myself.</p>
Status	<p>ST1: People respect me because I have <STV CO>.</p> <p>ST2: I am highly thought of by other people because I have <STV CO>.</p> <p>ST6: My social standing is better because I have <STV CO>.</p>

Reduced Expenditure	<p>RE1: I save money because of<STV CO>.</p> <p>RE2: The benefits I get from <STV CO> would cost more from other companies.</p> <p>RE5: Having <STV CO> is cheaper than paying for other types of entertainment.</p>
Control	<p>CO3: Having <STV CO> gives me control over my time.</p> <p>CO5: I can choose how I spend my time because I have <STV CO>.</p> <p>CO6: I don't have to make compromises about how I spend my time because I have <STV CO>.</p> <p>CO7: Having <STV CO> means I can decide for myself what I want to do.</p>
Assured Performance	<p>AP1: The technology I have from <STV CO>is reliable.</p> <p>AP2: I trust my <STV CO> system not to fail.</p> <p>AP3: I have confidence in the technology I have from <STV CO>.</p>
Ease of Use	<p>EU1: It is easy to get my <STV CO> system to do what I want it to do.</p> <p>EU2: I am used to using <STV CO>.</p> <p>EU4: Using <STV CO>'s technology is hassle-free.</p>
Reciprocity	<p>RP7: <STV CO> values me as a customer.</p> <p>RP8: <STV CO> is grateful to me for being a customer.</p> <p>RP9: <STV CO> appreciates my commitment to them.</p>
Overall Value	<p>OV1: Overall I feel I get a lot of value from <STV CO>.</p> <p>OV3: Overall I think I get a lot of benefits from <STV CO>.</p> <p>OV4: Overall I benefit a lot from having <STV CO>.</p>
Customer Satisfaction	<p>CS1: Overall I am satisfied with <STV CO>.</p> <p>CS2: I am satisfied with the performance of my <STV CO> package.</p> <p>CS3: I think the decision to get <STV CO> was a good one.</p> <p>CS4: The facilities from <STV CO> are exactly what I need.</p>
Affective Commitment	<p>AF1: I feel a strong sense of attachment to <STV CO>.</p> <p>AF2: I feel a strong sense of belonging with <STV CO>.</p> <p>AF3: I feel emotionally attached to <STV CO>.</p>
Calculative Commitment	<p>CC1: It is financially worthwhile to be a customer of <STV CO> rather than of a competitor.</p> <p>CC2: I would suffer economically if I switched from <STV CO>.</p>

Brand Attachment	<p>BA1: <STV CO> is part of me and who I am.</p> <p>BA2: I feel I am personally connected to <STV CO>.</p> <p>BA3: My thoughts and feelings towards <STV CO> are automatic, seemingly coming to mind on their own.</p> <p>BA4: My thoughts and feelings towards <STV CO> come to me naturally and instantly.</p>
Value for Money	<p>VM1: From <STV CO> you get a great deal for your money.</p> <p>VM2: <STV CO> seems good value when I compare the cost of it with what I get from it.</p> <p>VM3: For the money it costs each month my <STV CO> package is good value.</p> <p>VM4: Compared to other forms of entertainment I could pay for, <STV CO> seems good value.</p>
Customer Advocacy	<p>CA1: I only have positive things to say about <STV CO> to other people.</p> <p>CA2: I have recommended<STV CO> to friends and family.</p> <p>CA3: I talk about <STV CO> more than I talk about other companies I am customer of.</p> <p>CA4: I frequently mention <STV CO> to other people.</p> <p>CA5: When I tell people about <STV CO> I go into great detail.</p>
Consumer Trust	<p>CT1: <STV CO> gives me a feeling of trust</p> <p>CT2: I have trust in <STV CO></p> <p>CT3: <STV CO> gives me a trustworthy impression</p>
Customer Gratitude	<p>CG1: I am grateful to <STV CO></p> <p>CG2: I feel thankful to <STV CO></p> <p>CG3: I feel appreciative of <STV CO></p>

Appendix F – Dimension Scale Development: EFA Output

F.1 Latent Root Criterion

Item	Component																				
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
ET1	.105	.650	.161	.122	-.027	.150	.046	.118	-.086	.021	.029	-.062	.277	-.148	.025	-.033	.069	.420	.091	-.056	.062
ET2	.220	.554	.033	.460	.147	.286	.108	.079	.025	.126	.000	.065	.038	-.063	-.058	-.053	-.099	-.029	.042	.047	-.076
ET3	.314	.539	.068	.392	.044	-.009	.082	.092	.142	.122	-.083	.033	-.238	-.213	.150	.053	.039	.105	.133	.008	-.087
ET4	.060	.674	.225	.118	.117	.091	.148	.094	-.128	-.024	.116	-.039	.166	-.109	.135	.003	.081	.283	.148	.045	-.107
ET5	.203	.681	-.027	.264	.111	.195	-.020	.109	.155	.106	.136	-.035	.125	-.038	-.104	.178	-.042	.105	.034	-.012	-.049
ET6	.176	.755	.125	.157	.146	.089	.106	.037	.173	.050	.048	-.101	.028	-.036	.034	-.060	-.001	.103	.174	-.010	.000
ET7	.052	.521	.358	.077	.079	.087	.006	.172	-.352	.013	.181	-.002	.039	-.048	.058	.041	.165	-.003	.204	-.244	-.112
RX1	.223	.650	.139	.324	.041	.121	.055	-.021	.184	.204	-.056	-.039	-.099	.131	.176	-.046	.091	.154	.125	-.029	.106
RX2	.321	.688	.069	.171	-.072	.119	-.074	.148	.167	.137	.006	-.010	.004	.121	.013	.207	.020	.022	.132	.018	.046
RX3	.573	.417	.141	.160	.031	.090	.042	.058	-.069	.109	-.110	-.035	-.082	.107	.011	-.006	.043	-.106	.314	-.121	.038
RX4	.339	.599	.104	.334	.165	.053	.019	.075	.038	.092	-.019	-.062	.136	-.070	.212	-.029	-.048	-.089	.167	-.042	.161
RX5	.650	.288	.164	-.087	.040	-.001	.116	.042	.047	.061	.015	-.084	.026	.158	-.021	.027	.006	-.023	.438	.021	.014
RX6	.520	.434	.055	.346	.170	.037	-.024	.152	.156	.086	-.010	.045	.049	-.136	-.127	-.120	-.103	-.050	.173	.111	-.018
SV1	.374	.478	.105	.315	.142	.145	.016	.088	.046	.049	.104	.070	.059	.069	.129	.010	.066	.195	.340	-.088	.005
SV2	.669	.360	.108	.181	.053	.090	-.140	.035	-.047	-.065	.025	.075	-.019	.220	-.035	-.053	.035	.019	.136	.080	-.097
SV3	.505	.493	.239	.160	.061	.165	.098	-.013	-.020	.018	.181	.052	-.080	.027	.014	-.069	-.027	.217	.255	.107	-.139
SV4	.661	.289	.242	.223	.069	.129	.047	.029	-.009	.161	-.042	.041	-.019	.178	-.125	-.008	-.042	.072	.139	.060	-.004

SV5	.482	.485	.161	.237	-.097	.119	.184	-.060	-.075	-.023	.040	.139	.001	.202	.167	-.085	-.064	-.148	.135	-.169	.076
SV6	.514	.264	.010	.474	.062	.108	.001	.278	.042	-.133	.017	-.017	-.053	.268	.022	-.093	.001	-.019	.044	.092	.043
SV7	.694	.265	.049	.297	.097	.136	.023	.157	-.048	-.048	-.220	-.023	.055	-.010	-.179	.048	-.012	-.085	.122	-.038	.067
CF1	.190	.573	.101	.164	-.014	.016	.224	.261	-.009	-.017	.250	-.058	.104	.071	.159	.061	-.004	-.185	-.074	-.116	.211
CF2	.549	.412	.114	.162	.086	.123	.019	.112	-.046	-.047	.133	.095	.119	-.112	-.119	-.076	-.085	-.208	.150	.004	.306
CF3	.095	.634	.233	.112	.148	.013	.084	.206	-.145	.056	.092	.142	.117	.095	.054	.019	-.133	.196	.263	.103	-.029
CF4	.590	.376		.178	.128	.102	.078	.175	.025	.081	-.078	.149	.077	.053	-.105	-.104	-.031	-.081	.093	.020	.260
			.10																		
CP1	.324	.410	.080	.600	-.003	.188	-.007	-.015	.038	.139	-.063	-.008	.081	.046	.137	.070	.024	.037	-.012	.027	-.138
CP2	.398	.298	.077	.421	.158	-.017	.000	.172	.121	-.031	-.030	-.116	.179	-.064	.212	-.053	-.021	.082	.062	.179	-.111
CP3	.444	.300	.051	.684	.029	.023	.068	.066	-.054	.056	.100	-.033	.050	-.021	.094	.048	-.024	-.054	-.028	-.013	.016
CP4	.565	.294	.143	.479	.054	.095	-.025	-.012	-.114	.165	-.028	-.093	.023	-.053	-.100	.119	.067	.007	-.026	-.064	.211
CP5	.551	.210	.117	.586	.079	.125	.002	-.021	.038	.019	.014	.003	-.097	.092	-.154	.087	.041	-.015	-.081	.008	.071
CP6	.623	.312	.083	.544	-.013	.009	-.047	-.068	.005	-.006	.168	-.018	.071	-.022	-.064	.025	-.009	.058	.057	.049	.103
KV1	.362	.348	.119	.187	.166	.341	.034	.044	-.051	-.044	.243	.171	-.010	.124	.044	-.039	-.076	-.061	.049	.029	-.431
KV2	.411	.295	.159	.254	.019	.559	.055	.114	.021	.124	.076	.012	.171	-.118	-.008	-.054	.008	-.136	.104	.000	-.088
KV3	.284	.523	.163	.018	.160	.303	.079	.102	-.104	-.015	.414	-.001	.102	.083	.020	-.001	.123	.010	.018	.051	.044
KV4	.347	.390	.179	.115	.073	.561	.148	.081	-.064	-.035	.087	-.046	.014	.183	.167	.072	-.105	.100	-.057	-.075	-.064
KV5	.435	.262	.256	.094	.114	.592	.181	.046	-.026	.002	.036	-.038	-.076	.008	-.105	-.003	.036	.079	.017	.077	.202
KV	.148	.493	.272	.218	-.008	.406	.009	.122	.010	-.151	.243	.120	-.002	.157	.229	.096	.129	.079	.028	-.072	-.005

HH1	.632	.191	.115	.142	.081	.203	-.076	-.014	-.051	.487	.037	.095	.009	.076	.135	.069	.019	-.207	-.019	.015	-.054
HH2	.656	.267	.042	.203	.040	.020	.163	.045	.062	.451	-.068	-.091	-.019	.031	-.054	.004	.049	.036	-.067	.090	-.030
HH3	.632	.227	.142	.232	.051	.011	-.049	-.018	.091	.411	.098	.038	.069	-.006	.140	.088	.012	.053	.033	-.022	-.083
HH4	.385	-.008	.022	.077	-.110	-.011	-.127	-.034	.357	.231	.057	.514	.146	-.073	.064	.027	.254	.137	-.002	.170	.113
HH5	.588	.169	.139	.145	.207	-.040	.026	.028	-.084	.554	-.007	.080	-.033	.055	.037	-.020	.034	.084	.117	.042	.103
RS7	.795	.078	.091	.079	.137	.135	.052	-.047	-.035	-.008	.049	.169	-.061	.102	.123	.007	-.006	.049	.087	.032	-.030
RS8	.798	.108	.185	.074	.064	.151	-.111	-.045	-.023	.054	.102	.022	.075	.052	.045	.001	-.101	.150	.022	.185	.061
RS9	.837	.135	.159	.042	.115	.019	.053	-.013	-.046	.042	.086	.071	.030	.040	.149	-.042	-.052	.048	.087	-.081	-.011
RS10	.825	.166	.136	.075	.091	.052	.032	-.037	-.019	.001	.025	.134	.042	.088	.112	.100	-.019	.043	.022	-.009	.045
AG1	.694	.309	.122	.071	.036	.165	.040	-.022	.077	.068	.139	-.031	-.055	-.158	.195	-.044	-.057	.048	.116	.042	-.055
AG2	.738	.214	.193	.080	.046	.124	.026	-.067	-.098	.144	.119	.016	.049	.010	.064	.123	-.174	.120	.101	.197	.005
AG3	.475	.381	.161	.158	-.001	.232	-.007	-.197	-.021	.102	.246	.047	.127	.079	.323	.110	.108	.047	-.029	.188	.029
AG4	.692	.318	.050	.007	-.013	.167	-.044	-.131	.001	-.046	.185	.059	.138	-.104	.207	.145	.085	-.115	.013	.061	-.008
AG5	.547	.256	.118	.201	-.047	.149	-.094	.142	-.023	.130	.088	.081	.089	-.084	.245	.015	.095	-.030	-.006	.462	.074
AG6	.584	.306	.094	.120	-.110	.259	-.032	-.057	.123	.182	.178	.045	.044	-.243	.114	.021	.002	-.034	.003	.258	.153
SE1	.785	.183	.086	.126	.031	.102	.063	.122	-.032	.254	.053	.012	-.006	.061	.038	.049	.053	.027	-.099	-.012	-.002
SE2	.837	.186	.080	.087	.043	.053	.043	.094	-.011	.023	-.023	-.049	.015	.053	.044	-.018	-.011	-.021	-.046	-.147	-.097
SE3	.730	.283	.143	.119	-.039	.067	.071	.079	.064	-.071	.017	-.147	-.046	-.060	-.067	.113	-.002	-.098	-.116	.062	.072
SE4	.814	.172	.183	.184	.039	-.004	.070	.037	.160	.012	.023	-.043	.009	-.015	-.054	-.071	.006	-.030	-.065	-.027	-.022
SE5	.750	.274	.042	.142	.193	.067	-.069	.103	-.007	.018	.041	-.012	-.061	-.094	.166	.070	.009	.085	.020	-.014	.018
SE6	.753	.055	.151	.110	.152	.022	-.116	-.030	-.154	-.014	.058	.022	.083	-.011	-.003	-.099	.032	.008	-.078	.055	.000

ST1	.811	.133	.119	.117	.188	.006	.105	.090	.063	-.022	-.005	.056	-.036	.095	.056	.012	.139	.052	-.111	.007	-.067
ST2	.840	.080	.117	.051	.037	-.025	.074	.064	.097	.008	-.102	.026	-.016	-.063	-.091	-.050	.051	-.043	-.113	-.085	.049
ST3	.819	.102	.109	-.020	.125	.041	-.028	.007	-.008	-.067	.042	.160	-.045	-.014	.018	.069	.011	-.056	.084	.026	.013
ST4	.717	-.077	.056	-.082	-.015	-.136	-.086	.040	.100	-.061	-.032	.267	.038	.010	-.021	.046	-.012	-.117	.122	-.023	-.130
ST5	.775	.012	.158	.041	.083	-.106	.037	-.030	-.041	-.045	-.006	.282	.034	.030	-.030	-.054	.173	.033	-.051	-.079	.072
ST6	.846	.140	.158	.042	-.022	.012	.037	.007	.093	.034	-.027	.053	.052	.066	.021	-.037	.021	-.042	.014	-.036	.016
EV1	.428	.212	.289	-.014	.690	-.003	.123	.051	-.034	.113	.009	-.040	-.079	-.077	-.021	.103	.024	.029	.065	.045	.021
EV2	.231	.092	.216	.166	.538	.241	.014	.103	.167	-.023	-.057	.019	.077	.176	.029	.279	-.208	-.040	-.076	.064	-.049
EV3	-.040	-.042	-.008	-.056	-.226	-.012	-.106	-.100	.110	-.016	-.031	.094	.156	-.003	.006	-.829	.040	.001	.002	-.005	.007
EV4	.280	.320	.165	.099	.519	-.037	.032	-.217	.052	.005	.261	-.061	-.120	.308	-.076	-.008	-.024	.072	-.043	-.167	-.035
EV5	.100	.331	.217	.068	.754	.026	.068	.052	-.015	.007	.089	.114	.034	.050	.048	.088	-.098	-.016	.030	-.024	.063
CO1	.254	.696	.114	.133	.020	.016	.218	.068	.007	-.015	.111	-.028	-.146	.174	.009	-.135	-.031	-.092	.016	-.009	.062
CO2	.095	.765	.175	-.028	.044	.063	.001	-.012	-.292	.011	.061	-.001	-.060	.008	.042	-.099	.040	-.137	-.104	-.090	-.051
CO3	.408	.680	.003	.063	.090	-.004	.038	-.094	-.128	.108	.130	.017	.062	.127	-.026	.086	-.095	-.097	.138	.002	-.054
CO4	.029	.768	.160	.111	.009	-.006	.039	.121	.054	.176	.127	-.054	-.061	.200	.039	.005	.012	-.059	-.125	-.080	.151
CO5	.407	.665	.133	.191	.134	.020	.018	.024	.098	.062	.033	-.058	-.044	.099	-.195	-.149	-.077	-.175	-.031	.142	-.049
CO6	.448	.648	.061	.170	.145	-.012	.127	-.034	-.046	.069	-.060	-.083	.078	-.045	-.008	.007	-.049	-.116	.090	.152	.147
CO7	.293	.739	.038	.162	.098	.08	.198	.021	.093	.084	.011	-.040	.031	-.015	-.003	.037	.037	-.164	.002	-.023	.067
RY1	.103	.409	.452	.049	.191	.118	.542	.047	-.001	-.171	.016	.007	-.045	-.016	.179	.124	.090	-.019	.076	.154	-.029
RY2	.262	.365	.441	.101	.204	-.062	.508	.022	-.092	-.026	.039	-.008	.067	-.025	-.069	.113	-.027	-.090	.098	.183	-.052
RY3	.168	.268	.487	.063	.267	.009	.498	-.109	.039	-.073	-.011	-.084	-.022	.045	-.005	.033	.088	-.236	.082	.181	.075

RY4	.193	-.215	.007	-.002	-.007	-.124	-.785	-.089	.040	-.064	-.045	.110	-.055	.009	-.001	-.026	.047	-.106	.019	.134	-.020
RY5	.184	.443	.383	.002	.310	.190	.335	.098	-.068	.017	-.037	.079	.189	.162	-.132	.158	-.008	.018	.012	.232	-.084
UV1	.152	.614	.281	-.028	.050	.212	.241	-.026	-.028	.138	.024	-.061	.050	.058	-.007	.314	.194	.042	-.026	.041	-.111
UV2	.081	.401	.244	.007	.086	-.040	.088	.665	-.046	.032	.041	-.084	.121	.094	.058	.092	.119	.014	-.056	-.082	.014
UV3	-.066	.383	.234	.137	.000	.247	.056	.635	.055	-.047	.071	.058	-.023	.074	-.032	.095	.018	-.021	.093	.102	.007
UV4	.087	.388	.366	.111	.147	.223	.307	.154	-.086	.171	-.101	.155	.307	.274	-.064	.138	-.025	-.092	.102	.066	-.159
UV5	.416	-.166	-.026	-.082	.023	-.038	-.127	.016	-.006	.006	-.001	.671	.032	-.067	-.033	-.098	-.071	-.041	-.068	-.077	-.049
UV6	.287	.363	.135	-.009	.162	.098	.009	.185	-.074	.068	.064	-.088	-.035	.683	.002	.028	.070	-.014	.053	-.009	.000
UV7	.660	.329	.054	.061	-.115	.078	-.128	.139	.056	-.091	.097	.014	.114	-.008	-.108	.059	.000	.037	.056	.032	.141
UV8	.329	-.117	-.183	.073	.066	-.019	-.387	-.251	.038	-.032	.056	.025	-.065	-.077	.196	-.214	.340	.062	.308	.097	.195
RP4	.331	.224	.687	-.005	.117	.034	.066	.060	.037	-.047	-.074	-.060	-.177	.018	.056	.017	.009	.120	.096	-.045	-.045
RP7	.278	.216	.805	.046	.087	.050	-.036	.058	.068	.021	.029	.075	.057	.049	-.058	.071	-.040	-.005	.042	-.035	-.073
RP8	.335	.213	.663	.045	-.052	.146	.053	-.004	.275	.057	-.099	-.059	-.057	-.080	.009	-.010	-.035	-.082	-.140	-.200	.071
RP9	.267	.151	.812	.158	.124	.066	.019	.009	-.003	.019	-.054	.024	.040	-.017	.105	-.110	-.137	-.052	.015	-.062	-.035
OV1	.231	.449	.436	-.027	.469	.130	.089	.078	-.008	.242	-.012	-.015	.028	-.030	.012	.127	-.144	.021	.092	-.027	-.135
OV2	.376	.537	.160	.331	.086	.068	.270	.255	-.071	.089	.023	.033	-.008	.025	-.012	-.019	-.107	.241	-.089	-.037	-.027
OV3	.224	.544	.289	.109	.267	.205	.256	-.024	-.122	.168	.222	-.038	-.126	-.077	-.078	.134	-.007	.043	.001	.118	.004
OV4	.175	.599	.466	.118	.262	.099	.086	.068	-.075	.134	.061	.010	-.145	-.137	.014	.024	.051	.085	.059	.109	-.016

F.2 A Priori Criterion

	Component																
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
ET1	.110	.654	.166	.125	.169	-.035	.019	.150	-.046	.023	.285	.050	-.153	-.163	-.063	-.033	-.069
ET2	.214	.535	.032	.503	.232	.143	.120	.040	.020	.106	-.006	-.095	.097	-.054	-.027	.129	.009
ET3	.310	.534	.057	.417	-.008	.005	.118	.127	.160	.147	-.194	.148	.055	-.196	.091	-.114	-.067
ET4	.059	.682	.211	.120	.187	.109	.169	.149	-.129	.023	.188	.124	-.037	-.148	-.010	-.124	-.057
ET5	.198	.658	-.030	.300	.204	.141	-.040	.089	.138	.086	.102	-.109	-.037	-.050	.171	.104	-.037
ET6	.172	.748	.111	.183	.105	.141	.139	.059	.168	.071	.022	.082	-.092	-.044	-.049	.060	-.090
ET7	.050	.542	.361	.070	.154	.017	.036	.175	-.319	.040	.100	.145	.040	-.023	.102	-.026	-.303
RX1	.226	.648	.127	.326	.133	.018	.078	.033	.233	.232	-.056	.184	-.104	.136	-.052	-.048	-.023
RX2	.320	.671	.058	.191	.139	-.039	-.074	.165	.171	.150	.005	.014	-.030	.111	.186	.131	-.015
RX3	.571	.416	.135	.174	.057	-.001	.092	.067	-.053	.135	-.077	.154	-.012	.139	.031	.183	-.222
RX4	.339	.596	.099	.329	.085	.189	.044	.112	.052	.135	.089	.144	-.120	-.102	-.077	.142	-.040
RX5	.646	.283	.142	-.081	.047	.060	.173	.095	.001	.127	.002	.179	-.044	.136	.016	.227	-.191
RX6	.512	.414	.055	.392	-.024	.177	.022	.124	.115	.072	.001	.010	.106	-.122	-.084	.233	-.006
SV1	.375	.474	.097	.298	.240	.146	.042	.164	.054	.117	.073	.258	.028	.037	-.027	.033	-.207
SV2	.664	.355	.102	.196	.121	.056	-.095	.043	-.069	-.051	-.009	.106	.135	.216	-.031	.042	-.016
SV3	.500	.489	.222	.173	.253	.062	.142	.040	-.050	.066	-.086	.150	.094	-.008	-.068	-.007	-.061
SV4	.661	.277	.237	.246	.094	.069	.068	.025	-.017	.152	-.039	-.010	.050	.191	-.002	.128	-.018
SV5	.485	.480	.145	.208	.222	-.065	.161	-.013	-.042	.040	-.039	.036	.066	.151	-.170	.087	-.155
SV6	.507	.252	.003	.477	.122	.071	.021	.293	.027	-.127	-.048	.053	-.003	.265	-.100	.056	.065

SV7	.690	.251	.054	.334	-.003	.070	.055	.107	-.037	-.089	.034	-.037	-.001	.052	.095	.250	-.086
CF1	.192	.571	.088	.135	.120	.016	.176	.287	.022	.007	.095	-.079	-.149	.034	-.013	.087	.008
CF2	.550	.401	.120	.159	.071	.088	.049	.098	-.022	-.055	.059	.049	.041	-.088	-.090	.439	.023
CF3	.099	.631	.104	.100	.128	.208	.080	.271	-.171	.123	.049	.055	.115	.016	-.077	.077	-.047
CF4	.595	.367	.104	.187	.002	.109	.094	.157	.070	.059	.051	-.002	.083	.094	-.108	.302	.043
CP1	.318	.395	.075	.619	.221	.018	-.009	-.008	.029	.148	.085	-.002	.002	.024	.059	-.096	.019
CP2	.389	.290	.065	.437	.056	.203	.032	.212	.061	.007	.155	.091	-.077	-.126	-.081	-.100	.091
CP3	.439	.286	.049	.675	.085	.051	.053	.085	-.063	.064	.042	.008	-.059	-.039	.007	-.012	.015
CP4	.566	.285	.156	.483	.008	-.089	-.025	-.031	-.062	.114	.048	.019	-.163	.016	.137	.143	.027
CP5	.547	.191	.121	.599	.056	.050	.017	-.048	.058	-.034	-.063	-.020	-.006	.156	.119	.069	.058
CP6	.619	.294	.083	.535	.053	.010	-.041	-.038	-.010	-.007	.064	.090	-.057	-.025	-.014	.108	.038
KV1	.349	.340	.104	.222	.459	.188	.052	.020	-.113	-.015	-.037	-.088	.309	.061	-.008	-.098	-.089
KV2	.401	.283	.163	.303	.492	-.003	.092	.055	.022	.106	.143	-.051	.066	-.102	.024	.219	-.023
KV3	.280	.529	.155	.014	.375	.129	.111	.111	-.088	-.008	.144	.077	.002	.081	.029	.067	.075
KV4	.346	.389	.170	.124	.614	.098	.119	.082	-.036	-.022	-.041	-.119	-.096	.123	.031	-.058	-.004
KV5	.435	.260	.258	.120	.444	.040	.235	.014	-.022	-.046	-.067	.022	-.081	.080	.069	.217	.140
KV6	.148	.496	.261	.192	.530	-.009	.016	.173	.067	-.104	.048	.133	.065	.122	.070	-.086	-.017
HH1	.631	.192	.117	.164	.196	.071	-.063	-.046	-.034	.481	.010	-.026	.110	.076	.106	.036	.073
HH2	.653	.260	.037	.250	-.057	.002	.161	.011	.065	.406	.014	-.117	-.070	.072	.063	-.027	.097
HH3	.632	.223	.139	.241	.087	.074	-.065	.002	.082	.429	.073	.015	.015	-.044	.067	-.088	-.019
HH4	.395	-.018	.022	.057	.009	-.123	-.122	.016	.414	.248	.253	.170	.414	-.058	.010	-.017	.207
HH5	.595	.176	.145	.147	-.073	.168	.043	.044	-.052	.553	-.012	.102	.033	.080	-.006	.033	.035

RS7	.798	.081	.080	.068	.198	.136	.075	-.005	-.024	.032	-.062	.115	.146	.070	-.020	-.048	.002
RS8	.799	.105	.184	.073	.197	.109	-.096	-.013	-.039	.065	.020	.056	-.021	.001	-.051	.046	.183
RS9	.840	.142	.152	.027	.114	.133	.049	.027	-.042	.083	.002	.068	.027	-.014	-.093	-.054	-.092
RS10	.830	.165	.127	.057	.121	.117	.026	.003	.000	.030	.027	.043	.066	.048	.035	-.026	.012
AG1	.689	.311	.111	.085	.238	.044	.071	.016	.065	.109	-.080	.119	-.025	-.207	-.046	-.028	.002
AG2	.738	.207	.181	.079	.208	.114	.030	-.018	-.134	.180	-.035	.015	-.017	-.067	.040	.068	.139
AG3	.474	.383	.142	.130	.388	.031	.018	-.116	-.009	.163	.154	.187	-.010	.008	.049	-.114	.242
AG4	.689	.318	.036	.001	.269	.006	-.014	-.096	.005	-.004	.150	.122	.049	-.148	.126	.007	.089
AG5	.541	.256	.108	.207	.183	-.036	-.022	.189	-.030	.161	.115	.195	.094	-.111	.023	.030	.459
AG6	.581	.297	.089	.135	.256	-.102	.009	-.036	.137	.187	.034	.103	.008	-.254	.027	.159	.307
SE1	.786	.185	.087	.143	.096	.005	.044	.104	-.005	.228	.025	-.079	-.012	.073	.073	-.063	.056
SE2	.835	.188	.077	.109	.069	.037	.024	.069	-.008	.009	.011	-.095	-.038	.043	-.003	-.080	-.122
SE3	.724	.275	.135	.148	.017	-.047	.087	.049	.065	-.113	-.042	-.097	-.132	-.029	.147	.082	.116
SE4	.809	.165	.178	.211	-.022	.028	.076	.011	.152	-.017	.018	-.074	-.026	.001	-.041	-.003	-.011
SE5	.750	.281	.042	.145	.097	.178	-.046	.127	.014	.030	-.051	.122	-.038	-.107	.073	-.084	.010
SE6	.752	.064	.159	.116	.015	.129	-.085	-.047	-.148	-.039	.092	.048	.035	.000	-.069	-.030	.091
ST1	.811	.138	.109	.128	.012	.142	.123	.088	.084	-.036	.038	.009	.068	.118	.052	-.181	.035
ST2	.841	.080	.119	.077	-.114	-.010	.074	.018	.131	-.045	.014	-.096	.016	-.008	.003	.009	-.020
ST3	.820	.104	.103	-.021	.059	.116	.009	.020	.001	-.051	-.042	.092	.162	-.015	.073	.062	-.003
ST4	.718	-.083	.048	-.078	-.083	.017	-.079	.045	.070	-.032	.028	.004	.305	-.017	.029	.045	-.117
ST5	.784	.020	.159	.020	.034	.026	.044	-.023	.020	-.056	.115	.076	.227	.073	-.040	-.066	-.028
ST6	.847	.137	.151	.051	.023	-.018	.039	.008	.100	.035	.054	-.016	.036	.060	-.042	.026	-.028

EV1	.429	.227	.284	.003	-.073	.619	.213	.037	-.024	.097	-.060	.111	-.002	-.027	.174	-.005	.004
EV2	.231	.077	.208	.180	.233	.609	.022	.080	.135	-.028	-.023	-.163	.011	.124	.216	.041	.083
EV3	-.042	-.032	.007	-.040	-.056	-.266	-.089	-.129	.121	-.028	.160	.078	.119	.006	-.763	.016	.004
EV4	.282	.324	.157	.086	.040	.504	.046	-.212	.046	-.001	-.108	.028	-.062	.304	-.014	-.119	-.143
EV5	.106	.338	.213	.055	.041	.749	.112	.056	-.003	.020	-.009	.053	.087	.036	.059	.028	-.016
CO1	.252	.694	.095	.142	.048	-.006	.225	.077	.021	-.005	-.143	-.026	-.022	.177	-.134	.056	-.006
CO2	.093	.782	.173	-.008	.058	-.009	.017	-.055	-.244	-.011	-.036	-.042	.041	.037	-.034	-.042	-.019
CO3	.405	.671	-.013	.073	.079	.134	.037	-.081	-.160	.139	.010	-.028	.041	.083	.043	.129	-.075
CO4	.032	.768	.153	.112	.020	.009	.007	.115	.101	.158	-.042	-.091	-.113	.207	-.010	.018	.047
CO5	.398	.650	.123	.250	-.048	.127	.064	-.040	.061	.015	-.069	-.124	.048	.133	-.079	.172	.098
CO6	.446	.640	.047	.191	-.055	.112	.173	-.029	-.050	.072	.040	.040	-.081	-.036	.001	.210	.116
CO7	.290	.729	.022	.190	.054	.076	.215	-.001	.116	.073	.042	-.057	-.034	.012	.066	.128	-.001
RY1	.100	.413	.410	.041	.174	.163	.607	.107	.008	-.111	-.007	.078	.028	-.027	.116	-.078	.073
RY2	.258	.358	.406	.110	-.036	.205	.554	.042	-.133	.001	.051	-.072	.051	-.029	.099	.085	.047
RY3	.163	.267	.450	.068	-.023	.224	.601	-.092	.028	-.050	.007	.067	-.022	.087	.071	.120	.104
RY4	.190	-.210	.033	.002	-.147	.010	-.706	-.107	.018	-.080	-.041	.254	.181	.027	.030	.048	.138
RY5	.183	.433	.357	.030	.159	.317	.370	.078	-.090	.010	.168	-.164	.127	.162	.156	.095	.138
UV1	.150	.613	.258	.001	.207	.010	.264	-.035	-.004	.129	.127	-.065	-.026	.091	.367	-.067	.024
UV2	.081	.412	.243	.016	-.026	.069	.059	.643	-.025	.016	.172	-.123	-.084	.106	.115	-.051	-.045
UV3	-.071	.375	.230	.160	.222	.000	.070	.616	.057	-.050	-.013	-.067	.095	.088	.127	.159	.051
UV4	.087	.373	.345	.133	.232	.189	.297	.130	-.113	.190	.262	-.226	.191	.244	.101	.130	-.041
UV5	.429	-.167	-.013	-.101	-.016	.033	-.175	-.001	.042	.009	.015	-.086	.606	-.086	-.144	.002	-.028

UV6	.288	.366	.120	-.016	.160	.174	.013	.197	-.080	.083	-.010	-.007	-.071	.668	.014	-.005	-.027
UV7	.659	.318	.057	.068	.076	-.089	-.131	.140	.060	-.106	.099	.004	-.026	-.008	.040	.201	.039
UV8	.328	-.097	-.172	.040	-.022	-.024	-.246	-.167	.077	.019	.063	.682	.022	-.021	-.128	.027	.041
RP4	.331	.237	.676	.002	.033	.089	.122	.078	.055	-.036	-.161	.089	-.042	.033	.048	-.093	-.091
RP7	.279	.215	.800	.054	.072	.111	-.009	.043	.060	.018	.033	-.060	.094	.042	.068	.040	-.062
RP8	.336	.212	.664	.069	.072	-.065	.051	-.055	.327	.011	-.068	-.151	-.103	-.047	.020	.017	-.062
RP9	.268	.158	.810	.157	.088	.151	.047	.003	-.001	.031	-.028	-.032	.018	-.048	-.134	-.006	-.047
OV1	.231	.452	.429	.007	.118	.476	.121	.049	-.025	.242	-.038	-.090	.025	-.051	.140	.022	-.090
OV2	.379	.532	.154	.344	.088	.089	.208	.256	-.049	.072	-.030	-.193	-.025	.005	-.064	-.107	-.015
OV3	.221	.545	.276	.132	.186	.218	.300	-.033	-.109	.150	-.111	-.017	-.011	-.043	.183	.049	.103
OV4	.173	.609	.459	.143	.058	.196	.163	.066	-.045	.124	-.106	.108	.051	-.091	.101	-.019	.072

Appendix G – Sample Conference Papers

Examples of peer-reviewed conferences (listed in Section 1.7.1) are presented below. Paper 7 (G1) discussed the interim findings of the qualitative phase of this investigation, and was presented at the 2012 Consumer Culture Theory Conference, in Oxford, UK. Paper 2 (G2) was accepted to the 2013 Academy of Marketing Science Conference, in Monterey, California and describes the initial findings of the quantitative phase of the investigation. In both cases findings and conclusions had not evolved to the level expressed within this thesis. As such, differences exist in respect of the key contributions articulated within these conference papers and those presented in the current document.

G.1 : Conference Paper 7 - Built on Sand: Strengthening the Foundations of Customer Value Research

Abstract:

An in-depth understanding of the value perceived by customers is vital if firms are to achieve sustained success within competitive markets. However, customer value investigations by both practitioners and scholars suffer from significant conceptual and methodological weaknesses, leading to a poverty of insight and potentially flawed conclusions. This research presents progress towards the development of an improved understanding of the customer value concept through a study of customer value perceptions within the context of paid-for-TV consumption. The method combines individual and family interviews with the experience tracking technique. A multi-dimensional model of customer value is developed which, due to its empirical derivation and holistic nature, overcomes some of the limitations associated with existing conceptualisations. Methodological requirements for future customer value research are identified. A research agenda with the potential to further clarify the nature of the complex customer value concept is outlined.

Introduction

What value do customers get from our products and services? How can we maximise the value our customers perceive? Questions such as these have been even more prominent in managerial discourse since the emergence of customer value maximisation as a strategic corporate goal in the 1990s (Sweeney, Soutar and Johnson 1999; Sweeney and Soutar 2001). Linked to improved customer satisfaction, loyalty (Parasuraman and Grewal 2000) and profitability (Khalifa 2004), the improvement of customers' value perceptions remains prevalent within the objectives of market-oriented firms striving to achieve a sustainable commercial advantage (Kohli and Jaworski 1990). Marketing professionals therefore require an understanding of the nature and antecedents of customer value to support the ongoing evolution of a firm's propositions and to ensure that value perceptions are continually optimised. However, customer value research remains problematic in practice, leading to potentially weak and flawed conclusions. This is due in part to the lack of a robust conceptual foundation upon which to base customer value research endeavours.

The customer value literature identifies two distinct approaches to customer value conceptualisation. The first describes value as the outcome of a cognitive process whereby consumers trade off the utilitarian benefits and sacrifices associated with a consumption event (Zeithaml 1988). A one-dimensional, 'net' value perception with a utilitarian focus is thus derived (Sanchez-Fernandez and Iniesta-Bonillo 2007). This offers simplicity of definition and relative ease of operationalisation. The result is a prevalence of studies adopting this perspective, seeking to measure the outcome of this cognitive trade-off process. However, this one-dimensional conceptualisation has been criticised as overly simplistic (Sanchez-Fernandez and Iniesta-Bonillo 2007). Limited insights result from its use, due to its inattention to detail in respect of the underlying nature of the relevant benefits and sacrifices and its failure to capture the full breadth of intangible and emotional factors associated with consumption (Lemmink, De Ruyter and Wetzels 1998).

In contrast, the multi-dimensional conceptualisation of customer value posits that overall value perceptions consist of numerous cognitively and affectively derived value dimensions (Sanchez-Fernandez and Iniesta-Bonillo 2007), thereby presenting a more comprehensive and granular consideration of the underlying factors that contribute to overall customer perceptions of value. The adoption of a multi-dimensional perspective by marketing professionals therefore has the potential to generate a greater depth of actionable insight than the dominant one-dimensional approach through the identification of the dimensions underlying overall value perceptions. By furnishing practitioners with this more detailed understanding of the perceptual components of customer value, enhanced clarity of direction for strategic marketing activities is potentially provided. However, the application of a multi-dimensional perspective is problematic. A lack of clarity and rigour surrounds the detailed conceptualisation of customer value in multi-dimensional form. The models most typically adopted suffer from a lack of empirical grounding, the adoption in specific contexts of preconceived generic structures, and difficulties in operationalisation, leading to empirical studies with notable limitations.

This research therefore adopts a multi-dimensional perspective in its examination of customer value and seeks via robust empirical investigation, to add clarity to this potentially powerful and influential perspective. The study gives rise to an empirically grounded multi-dimensional model of customer value within the specific research context. Methodological recommendations for future customer value investigations in alternative contexts are derived. Specifically, the findings demonstrate via a comparison with existing conceptualisations that context specific studies with a focus on customer experience as the source of value and using quasi-ethnographic research techniques can successfully generate comprehensive customer value models. The examination of the resulting model highlights areas requiring further investigation.

The remainder of this paper provides a brief overview of the existing multi-dimensional value conceptualisations and previous studies, describing their

associated limitations in detail. Key terms are subsequently defined and the methodology employed within this investigation is described. The research findings are presented and a detailed discussion follows with key contributions being derived.

Multi-dimensional customer value: conceptualisations and empirical investigations

Previous multi-dimensional conceptualisations have taken the form of typologies in which the dimensions comprising overall value perceptions are identified and defined. The typologies developed by Sheth, Newman and Gross (1991) and Holbrook (1999) dominate the literature, incorporating five and eight discrete value types respectively. Despite their apparently detailed dissection of the customer value construct, these models differ in the value dimensions they present, thereby contributing to the lack of consensus regarding the overall composition of value perceptions. In addition, neither model is empirically derived. Sheth, Newman and Gross (1991) synthesise their model from a review of literature. Holbrook's (1999) typology is purely theoretical, categorising value perceptions according to their self or other-orientation, extrinsic or intrinsic nature, and reactive versus active characteristics.

Despite this lack of empirical derivation, empirical work has sought to operationalise these typologies, with six of the ten most cited multi-dimensional studies (including these studies themselves) adopting one of these models as a conceptual foundation (Holbrook 1999; Mathwick, Malhotra and Rigdon 2001; Sanchez-Fernandez, Iniesta-Bonillo and Holbrook 2009; Sheth, Newman and Gross 1991; Sweeney and Soutar 2001; Turel, Serenko and Bontis 2007). The lack of an empirical backing for these underlying typologies threatens the validity of these investigations and their findings. Furthermore, attempts within these studies to develop a retrospective empirical underpinning for the relevant typology appear superficial as they typically draw on limited data, for example from a small number of focus groups (Sweeney and Soutar 2001), and use this data only to generate survey items within constructs, rather than to generate the

constructs themselves (Sheth, Newman and Gross 1991; Sweeney and Soutar 2001). Of the remaining four of the ten most cited multi-dimensional studies (Sinha and deSarbo 1998; Ruiz et al. 2008), only two have any qualitative grounding at all (Sheth and Talarzyk 1972; Westbrook and Reilly 1983).

Further operational limitations exist in respect of the dominant typologies. Due to the context specific nature of customer value (Vargo and Lusch 2008), the application of these generic models to research in multiple contexts has the potential to result in the omission of contributing value dimensions or an emphasis on areas of relative insignificance. Neither of the leading typologies incorporates a temporal characteristic and studies subsequently focus on value at a specific point in time, despite the acknowledged dynamic and evolving nature of value perceptions (Macdonald et al. 2011). Data collection typically relies on participant recollection, presenting the risk of inaccurate insights as events can be forgotten, masked or denied by participants (Leonard and Rayport 1997). Finally, previous customer value research focuses on the perceptions of individual consumers, neglecting the potential for collective or shared value, such as that generated within brand communities through common consumption practices (Schau et al., 2009). It can therefore be concluded that these existing customer value typologies present multi-dimensional conceptualisations that are insufficiently robust to facilitate empirical customer value research without further confirmation and refinement.

An alternative conceptualisation of customer value is developed by Woodruff (1997), who defines value as arising in hierarchical form from customers' positive evaluations of product attributes, the consequences of use and the subsequent achievement of personal goals. While conceptually insightful, this view also has limitations. The complexities associated with its empirical operationalisation are perhaps responsible for it being largely ignored within empirical customer value research. Specifically, its application necessitates the identification of personal goals in order to interpret the relative value perceptions. Challenges arise in respect of accessing the relevant goals, as they may be consciously, subconsciously or non-consciously pursued

(Baumgartner and Pieters 2008; Bagozzi and Dholakia 1999) and will vary in the extent to which they are derived from stable internally constructed goal schema or are emergent, arising from external environmental factors (Bagozzi and Dholakia, 1999; Puccinelli et al. 2009). The proposed value hierarchy is also potentially misleading, as the perceptions at the lowest level are described as arising in recognition of desired product attributes and performance (Woodruff 1997). Macdonald et al. (2011) argue that these evaluations give rise to perceptions of quality rather than value. Furthermore, the value perceptions arising from the achievement of goals at the highest level of the hierarchy may not exert the greatest influence on overall value perceptions. Rather, although the most abstract goals may represent the underlying, potentially tacit drivers of behaviour, the goals which actually drive behaviours and actions may lie lower in the hierarchy, giving rise to value perceptions with greater resonance at the point of recognition (Bagozzi and Dholakia 1999; Gutman 1997). Thus while research techniques such as laddering can facilitate the elicitation of a respondent's most abstract goals (Woodruff 1997; Gutman 1997; Baker 2002), its application to examinations of customer value may result in flawed conclusions.

Despite these limitations, this goal-driven conceptualisation presents a multi-dimensional view, free from a priori value categorisation. Also, due to the numerous and diverse goals pursued by customers at any given moment, it offers greater potential comprehensiveness and conceptual dynamism than the leading typologies. The opportunity therefore exists for further development of this goal-driven conceptualisation in order to overcome its limitations and develop a means of applying it to empirical customer value research.

In summary, the observed limitations associated with the dominant multi-dimensional conceptualisations of customer value highlight the need for an empirically grounded model with the potential for application in empirical customer value research. This study aims to achieve progress towards addressing these requirements through an investigation within a single

business-to-consumer context into the nature of customer value and the development of an empirically grounded model of customer value.

Definition of key concepts

Due to the holism and conceptual richness it presents, a definition that is indirectly goal-driven is adopted. Drawing on Woodruff (1997), customer value is defined as *the extent to which an individual perceives the outcomes arising from customer experience as positive and personally beneficial*. This definition supports a goal-driven conceptualisation as perceived positive outcomes will reflect the recognition by the customer of personal goal achievement. The desired multi-dimensional view is therefore supported, yet unnecessary complexity within the research process is avoided by negating the need for a direct examination of consumer goals. In addition, the application of predefined, theoretically derived categories to the analysis and interpretation is not required. Customer experience is in turn defined as *an individual's subjective response to their holistic interaction with a firm or its offering*, adapted from Lemke, Clark and Wilson (2011). The examination of customer experience as the source of customer value supports the research aims in two ways. Firstly, its holistic nature gives rise to numerous customer responses (Verhoef et al. 2009) and the subsequent recognition by the customer of multiple and diverse outcomes from which value perceptions can be interpreted. Secondly, the focus on customer experience builds on the assertion within the literature that, rather than residing within a product or service as is traditionally assumed, customer value perceptions arise from experience (Prahalad and Ramaswamy 2003). Specifically, this occurs during a customer's interaction with a firm or its offering via a series of ongoing value co-creation processes (Vargo and Lusch 2004). Lemke, Clark and Wilson (2011) provide support for this argument via empirical evidence that, when forming perceptions of value, customers assess the quality of their holistic interaction with a firm rather than product or service quality alone. The focus on the customer experience as a source of customer value

perceptions therefore ensures that the derived model is inclusive of all the relevant dimensions.

Research methodology: a quasi-ethnographic investigation

An empirical study of the customer value arising from the consumption of paid-for-TV products and services in the UK was carried out. Paid-for-TV packages provide exclusive TV programming and technology-based offerings such as hard drive recording facilities and remote viewing options. Major UK providers also offer broadband internet and landline telephone services. Paid-for-TV consumption has mass-market appeal, resulting in superior generalisability of insight than would arise from an investigation within a niche market. In addition, as paid-for-TV is a lifestyle proposition, greater depth of experiential and value-related insights arises than would be produced by studies of consumer durable or FMCG consumption.

This quasi-ethnographic investigation applied a combination of the real-time experience tracking research technique (Baines et al. 2011) and in-depth semi-structured interviews to the generation of qualitative data. Real-time experience tracking entails requesting participants to send a short, structured text message whenever they interact with specific brands, firms or offerings within the context of interest (Macdonald, Wilson and Konus 2011). Study participants were asked to report on a comprehensive range of interactions, including direct contact with paid-for-TV company personnel, actual product usage, the viewing of advertising or brand communication, and uninitiated conversations in which paid-for-TV was discussed. The text messages captured participants' responses to each interaction in respect of how it made them feel. Respondents were also asked to complete an online diary, expanding on the events and responses reported in each text message.

A total of sixty participants completed a seven-day real-time tracking study and all were subsequently interviewed. Respondents were current paid-for-TV consumers who had subscribed to their chosen package for a minimum period

of twelve months. The sample was balanced in respect of gender, age, life-stage and socioeconomic status. Thirty of the in-depth interviews took place by telephone and thirty were conducted within the interviewee's home and included other household members where possible, leading to an overall sample size of 101 individuals across 60 households. The interviews consisted of two sections. Section 1 involved initial scene-setting through a general discussion of the respondent's paid-for-TV products and consumption, followed by a series of open-ended questions relating to the experience of being a paid-for-TV consumer, designed to elicit interactions and outcomes from which customer value could be interpreted. Probing and laddering techniques were used to access deeper and more abstract layers of perception (Baker 2002). In section 2 the real-time experience tracker data provided by the interviewee was discussed in depth, with the aim of converting the text messages and diary entries into an enriched narrative with greater depth of insight regarding the reported interactions, outcomes and resulting perceptions of value. Probing of responses took place in a manner similar to that in section 1. In addition, interviewees were asked whether any possible interactions not reported during the tracker period might normally occur and what the outcomes would be.

The benefits of applying the experience tracking method to this qualitative investigation are three-fold. Firstly, it facilitates the capture of numerous and diverse interactions, each of which has the potential to give rise to an outcome from which customer value can be interpreted. The need for a holistic research approach to examine the customer experience as the source of customer value is therefore supported. Secondly, interactions and responses were captured in real time, reducing the risk of poor or flawed participant recollection (Leonard and Rayport 1997) and enhancing the resulting quality of insight. Finally, the text messages are structured so as to make the process quick and easy for respondents while providing a wealth of experience-related data. Experience tracking is therefore less intrusive for participants and less time-consuming for the researcher than an equivalent ethnographic technique. Ultimately, the integration of experience tracking and in-depth interviewing produced qualitative

data in the form of interview transcripts, with sufficient depth and richness to enable the development of multi-dimensional model of customer value.

Data analysis was supported by the use of the NVivo software package. Interview transcripts were reviewed individually and a thematic analysis was carried out (King 2004) whereby relevant themes were identified within the text. Value dimensions were subsequently developed from these themes and validated by three scholars not involved in the data collection.

Findings and discussion

The research and subsequent data analysis and interpretation gave rise to eighteen distinct customer value dimensions, which together comprise an overall perception of the value arising from paid-for-TV consumption. These dimensions are detailed in Table 1.

The eighteen dimensions in Table 1 represent the value perceived by paid-for-TV customers as arising from their consumption of tailored paid-for-TV packages. The empirical evidence of the presence of these multiple dimensions implies that future investigations of customer value within this context should adopt a multi-dimensional perspective and consider all eighteen dimensions, both individually and in combination, to generate a comprehensive picture of customer value of potential use in strategic marketing activities.

Table 1: Empirically derived customer value dimensions

Value Dimension	Definition	Example Quotation
Entertainment	The extent to which an individual perceives a sense of enjoyment from a customer experience.	"Because there is so much choice, there's always something on"
Relaxation	The extent to which an experience facilitates the process of unwinding and reducing tension.	"It's a way of relaxing and unwinding"
Stimulation	The extent to which a consumer experiences desirable cognitive or emotional arousal.	"It makes you feel happy sometimes doesn't it? Sometimes it makes you cry"
Entertainment Protection	The extent to which an experience enables the avoidance of disappointment due to unfulfilled entertainment desires.	"The bits you probably missed in the past, now you don't miss, you can save them, record them"
Comfort	The extent to which a person perceives an experience as enabling a feeling of physical ease and well-being.	"Watching a movie at home is more comfy than the cinema"
Companionship	The extent to which an experience is perceived as enabling the person to feel that they are not alone.	"It's sort of company, as I say. When she's away I use it because it's something to do"
Knowledge Enhancement	The extent to which an experience results in the receipt by a person of new information or insights.	"Their news is very up to date, ahead of other channels"
Household Harmony	The extent to which an experience is perceived as reducing conflict between members of a household.	"It avoids the need to find a compromise as a family"
Relationship Support	The extent to which an individual perceives that an experience facilitates the development and maintenance of important interpersonal relationships.	"It's like an emergency conversation topic"
Altruistic Gratification	The extent to which an individual perceives pleasure when a 3 rd party benefits from a customer experience.	"That's the great thing about having it. It's the things I can offer the kids"
Self-Esteem	The extent to which a customer experience supports a positive personal perception of self-worth.	"I'm not a big reality TV fan, but you feel left out if you haven't watched it"
Status	The extent to which an individual perceives that an experience results in them being highly thought of by others.	"Having it means you've attained a standard of living that puts you on a par with the wider population"
Reduced Expenditure	The extent to which a consumer perceives an experience as being less expensive than an alternative.	"Instead of having to buy the DVD it comes out exactly the same time. It is so much cheaper in that way"
Lifestyle Support	The extent to which a consumer perceives an experience as supporting a lifestyle which reflects their underlying needs, personal values and interests.	"We don't go out drinking, we don't smoke. Instead we have the TV package and we have it all"
Control	The extent to which a person perceives an experience as increasing their power to choose and influence their activities and outcomes.	"So you move away from watching what's on the listings to picking and choosing what you watch, when you watch it"
Assured Performance	The extent to which an experience enables a consumer to feel confident that a product will perform as desired.	"Our hard drive failed and we lost a lot of stuff. It was a bad experience"
Ease of Use	The extent to which an individual experiences effortless and unproblematic consumption.	"There are no complications, just two buttons. No mess"
Reciprocity	The extent to which a consumer perceives their consumption of a product or service as appreciated by the providing firm.	"There is no loyalty to longer term customers. New customers get a better deal"

A comparison of this eighteen dimension model of customer value with the typologies proposed by Sheth, Newman and Gross (1991) and Holbrook (1999) is illustrated in Table 2. Similarly defined value dimensions are positioned in the same row.

Table 2: A comparison of theoretical and empirically derived customer value models

Sheth, Newman and Gross (1991)	Holbrook (1999)	This Study
Functional value (good functional, utilitarian or physical performance)	Efficiency (convenience) Excellence (quality)	Assured Performance, Ease of Use, Reduced Expenditure
Social value (an association with positive stereotypes)	Status (impression management) Self-Esteem (reputation)	Status, Self-Esteem
	Ethics (justice, morality) Spirituality (faith, ecstasy)	Altruistic Gratification
Conditional value (temporary, situation specific functional or social value)		
Emotional value (the arousal of feelings or affective states)	Play (fun) Aesthetics (beauty)	Entertainment, Relaxation, Stimulation, Entertainment Protection, Comfort, Companionship.
Epistemic value (novelty or satisfaction of curiosity or a desire for knowledge)		Knowledge Enhancement
		Relationship Support, Household Harmony, Lifestyle Support, Control, Reciprocity

A review of Table 2 identifies a number of key observations and resulting implications for future investigations of customer value. Firstly, areas of convergence exist between the three models in the form of similarly defined dimensions of value, an observation that provides some partial, empirical support for the theoretically derived typologies. However, the presence of greater granularity within these common areas and the inclusion of a number of previously unidentified value dimensions suggest a lack of comprehensiveness within the theoretical models. This in turn highlights the need for a context specific and empirically grounded research approach, if customer value perceptions within the context of interest are to be accurately identified.

Secondly, the research findings imply that a focus on customer experience as the source of perceived value is also necessary to achieve comprehensiveness, as the enhanced granularity and additional dimensions are interpreted from

positive outcomes arising from a range of diverse and context specific experiences. For example, the seven empirically derived dimensions in Table 2 approximating to emotional value, fun and aesthetics relate to subjective responses including (but not limited to) the recognition of extensive channel choice or the pleasure of using on-demand viewing facilities. Perceptions of relationship support value arise from experiences such as discussing an exclusive paid-for-TV program with friends.

In addition to the empirical evidence of their influence on overall value perceptions, the inclusion of the previously unidentified value dimensions in the empirically derived model is supported by commentary within the consumer research literature regarding similar phenomena. For instance, relationship support and household harmony value reflect the notion of resource integration, which describes the combination by consumers of their resources (for example paid-for-TV products and networks of friends and family) in the creation of value (Vargo and Lusch 2008). The lifestyle support value dimension shares some commonalities with the concept of enduring involvement, described by Zaichowsky (1985) in the context of product usage as a consumer's perception of an object's relevance, based on their personal values and interests. Control value is comparable in nature to state dominance, defined by Mehrabian (1996) as an individual's feeling of having control and influence over their surroundings. The derivation of reciprocity value echoes the findings of research into customer perceptions of justice in complaint resolution, in which perceived justice resulted in customer satisfaction (Sparks and McColl-Kennedy 2001). It follows that an individual's appreciation of enduring involvement, recognition of state dominance or feeling of satisfaction could represent positive outcomes, thus giving rise to value perceptions of a nature similar to the relevant underlying phenomenon.

A further review of the eighteen empirically derived value dimensions in conjunction with literature pertaining to customer goals highlights a number of similarities between the nature of customers' value perceptions and their goals. This is perhaps to be expected, given the indirectly goal-driven definition of

value within this investigation. However, the observations crystallise a number of commonalities, providing empirical evidence that in part supports Woodruff's (1997) conceptualisation while highlighting areas requiring further investigation.

Firstly, in a manner similar to consumer goals (Baumgartner and Pieters 2008), differing levels of abstraction and potential hierarchical structures are observed within the eighteen value dimensions. For example, entertainment value can be viewed as superordinate to the dimension of entertainment protection, as the latter reflects for example, the successful achievement of desired TV viewing, which in turn gives rise to entertainment. Conversely, the entertainment value dimension can be interpreted as subordinate to lifestyle support. These research findings therefore provide some empirical support for the customer value hierarchy proposed by Woodruff (1997). However, an investigation into the relative influences of the various value dimensions on overall value perceptions is required to determine the extent of this similarity between customer value and consumer goals and to clarify whether, like goals, value dimensions with higher levels of abstraction are more influential than those lower down within the hierarchy.

In addition to the observed hierarchy within an individual's value perceptions, the research findings indicate the presence of relationships between the value dimensions perceived by separate people. This arises for example, when a person imparts information gleaned from their consumption of paid-for-TV to another, resulting in perceived knowledge enhancement value for the recipient and status value for the imparter. Similarly, parents within the research sample described perceptions of altruistic gratification value when their children's entertainment value was enhanced through paid-for-TV programming. This notion of consumers combining resources (e.g. products and people) in the creation of value is again reflective of the process of resource integration (Vargo and Lusch 2008), which has in turn been conceptualised as goal-driven (Epp and Price 2011). However, this inter-personal characteristic is not captured within Woodruff's (1997) conceptualisation, nor is it incorporated within the

leading multi-dimensional typologies. Further research is therefore required to determine the nature of these relationships.

In contrast to the observed relationship between the value perceptions of different individuals, the findings of this study indicate that relationships between individuals are necessary for the realisation of certain dimensions of value. Specifically, the relationship support and household harmony dimensions directly reflect this theme. This underlying relational characteristic is absent from previous conceptualisations, yet it represents a further similarity between value and goals, as the latter have also been shown to exist at individual, collective and relational levels. For example, in their study of family holiday planning, Epp and Price (2011) identify the independent and often conflicting influences of individual, collective and relational goals on consumption behaviours. It follows that the achievement of these goals will result in positive outcomes and associated value perceptions that reflect the nature of the underlying goal.

However, the findings of this study extend the notion of relational value characteristic beyond that which is evidenced in respect of goals by Epp and Price's (2011). For instance, Epp and Price (2011) focus solely on relationships between family members whereas this study captured the influence of relationships with other parties, such friends and colleagues. Epp and Price (2011) also restrict their investigation to identity goals. In contrast, this work focused on positive outcomes of any nature, thereby capturing a range of diverse, cognitive, affective and hedonic value dimensions, likely to reflect an underlying goal of a similar nature. Also, Epp and Price (2011) studied goals within the context of a bounded experience, whereas this research extends the context of study to examine an ongoing lifestyle consumption experience. Further research is therefore required to examine this characteristic of value in greater depth and determine the nature and extent of its influence on value perceptions.

A further commonality arises in the form of conflict. Goal conflicts may arise when a goal results in both desirable and undesirable consequences, or where

the fulfilment of two goals relies on a single resource (Baumgartner and Pieters 2008; Epp and Price 2011). The notion of conflict between value dimensions is not captured by Woodruff's (1997) conceptualisation, nor is it reflected in the leading typologies (Sheth, Newman and Gross 1991; Holbrook 1999). However, conflicts similar in nature to those existing between goals were observed within the value dimensions identified by this study. For example, a respondent who chose to utilise multi-room viewing facilities in isolation from the rest of his household perceived increased stimulation value and decreased relationship support value. Other respondents described a need to prioritise either relaxation or altruistic gratification value, when agreeing with family members what programs to watch on TV. Consumers' strategies for resolving goal conflict have been identified (e.g. Epp and Price 2011) and the findings of this research highlight a need for similar investigation into the processes by which consumers resolve inter-value dimension conflicts.

Conclusions

An in-depth understanding of customer value is vital if firms are to achieve long-term success in competitive markets. This study presents progress towards the development of this understanding and makes three contributions. Firstly, through a study of customer value within the context of paid-for-TV consumption a multi-dimensional model of customer value has been developed. This overcomes some of the limitations associated with existing theoretical conceptualisation due to its empirical derivation, enhanced granularity of insight and increased comprehensiveness. The second contribution is methodological, as the successful derivation of this model highlights the need for context specific investigations. The research findings also indicate the necessity for holistic studies and a focus on customer experience as the source of value perceptions. The effectiveness of the quasi-ethnographic real-time experience tracking technique is also demonstrated. A third contribution arises in the form of a series of areas identified as requiring further examination. Specifically, the observed inter-dimension relationships and relational value characteristics

require further investigation and analysis, as does the notion of inter-dimension conflict and resolution strategies. This study has therefore delivered a research agenda with the potential to further clarify the nature of the complex customer value concept.

In addition to the three main contributions, context specific implications arise. The model developed within this study confirms the multi-dimensional nature of customer value perceptions within the paid-for-TV industry. Due to its empirical derivation, the model is suitably robust for application by marketing professionals, giving rise to further research requirements in the form of the development of a tool with which to measure value perceptions, on both individual dimension and overall perceptual levels. Due to the formative relationship between customer value and its underlying dimensions (Lin, Sher and Shih 2005), accurate measurement will necessitate the development of a context specific customer value index (Rossiter, 2002; Diamantopoulos and Winklhofer, 2001). The findings from this investigation support the development of such an index through the robust derivation and specification of the dimensions requiring measurement and the provision of rich qualitative data from which to derive appropriate measurement items.

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G.2 Conference paper 2 – Enhancing Customer Perceived Value Measurement: A Multi-Dimensional Index for Television Consumption.

Introduction

Maximising customer perceived value is central to the marketing discipline. Marketing professionals therefore require a robust means of measuring value perceptions in order to monitor requirements for and the effectiveness of value enhancing activities. However, value measurement suffers from five flaws. First, the predominant one-dimensional approach calculates a 'net' perception, failing to capture the nature of contributory benefits and sacrifices. Second, most multi-dimensional measures lack a robust, empirically derived foundation, subsequently offering limited validity. Third, the failure of underlying models to delineate value from quality leads to conceptual confusion within multi-dimensional value measurement. Fourth, value studies typically focus on individual perceptions, neglecting any relational influences on value. Fifth, existing value scales often fail to capture the abstract nature of customer value. This paper describes steps towards resolving these measurement challenges through the development of an index to measure value perceptions arising from paid-for TV (PTV) consumption. The index measures value formatively, as a 2nd order multi-dimensional construct. Measurement items are derived from a robust qualitative study, enhancing index validity. The conceptualisation of value avoids confusion with quality and the holistic research approach ensures the inclusion of relational influences on value. The remainder of this paper describes our conceptualisation and index development, concluding with a discussion of the applicability of our method to other contexts and areas requiring further investigation.

Literature Review

Sanchez-Fernandez and Iniesta-Bonillo's (2007) comprehensive review of value literature highlights two contrasting value conceptualisations. The first

describes value as the outcome of a cognitive trade-off of the benefits and sacrifices associated with consumption (Zeithaml 1988). A one-dimensional 'net' value perception is thus derived, offering simplicity of operationalisation in studies focussing on the valence of value, or the extent or direction of changes in value perceived. However, the nature of underlying benefits and sacrifices is not identified. Net value measures therefore offer limited actionable insight. The second, multi-dimensional perspective posits that overall value perceptions consist of numerous distinct dimensions (Sanchez-Fernandez & Iniesta-Bonillo 2007), offering more comprehensive and granular insights into the benefits and sacrifices comprising perceived value. The application of this multi-dimensional perspective to value measurement is problematic however, due to a lack of rigour surrounding the underlying multi-dimensional conceptualisation of value.

The multi-dimensional typologies presented by Sheth et al. (1991) and Holbrook (1999) dominate the literature. Sheth et al. (1991) synthesise five value types from an extensive literature review: functional, social, emotional, epistemic and conditional. Holbrook (1999) classifies value perceptions according to their self- or other-orientation, extrinsic or intrinsic character, and active or reactive nature, producing eight types: efficiency, play, excellence, aesthetics, status, ethics, esteem and spirituality. Neither typology is empirically derived or verified; nevertheless, five of the ten most cited multi-dimensional value studies (Mathwick 2000; Sanchez-Fernandez et al. 2009; Sheth et al. 1991; Sweeney & Soutar 2001; Turel et al. 2007) adopt these models as a basis for measure development. The lack of empirical grounding results in scales of limited validity. Limitations also arise from conceptual confusion within multi-dimensional models between perceptions of value and of quality. This poor conceptual delineation was verified by a panel of five scholars, asked to classify the value dimensions within the most cited models as pertaining to value or quality. The panel was provided with definitions of value and quality from recent conceptual work (Lemke et al. 2011). Value is defined as *the extent to which an individual perceives the outcomes arising from the customer experience as positive and personally beneficial*. Customer experience is in turn defined as *an individual's subjective response to their holistic interaction with a firm or its*

offering. Quality is defined as *the perceived excellence or superiority of a customer's interaction with a firm or its offering*. The panel was not informed that the original sources regarded all as pertaining to value. A large proportion (62% of all dimensions) was felt to reflect quality rather than value. This conceptual confusion results in potentially flawed findings when multi-dimensional models are applied to value measurement.

Further limitations arise from the leading typologies' sole focus on individual-level value perceptions. Empirical evidence highlights the impact of customer network (e.g. family) membership on consumption and the subsequent recognition of consumer benefits at individual and collective levels (Epp & Price 2011). It follows that value perceptions may arise in individual and collective forms. However, while Sheth et al. (1991) and Holbrook (1999) capture relational influences via social (Sheth et al., 1991) and status (Holbrook, 1999) value dimensions, perceptions of value at the collective level are omitted, reducing the inclusiveness of these models and the validity of scales derived therefrom.

Existing multi-dimensional scales are also limited by their reflective measurement approach. The conceptualisation of value as comprising numerous dimensions implies causal relationships between underlying dimensions and overall value perceptions (Jarvis et al. 2003). Formative measurement is thus required to capture these relationships. Scales measuring dimensions reflectively as manifest indicators of value (e.g. Sanchez-Fernandez et al. 2009) are therefore conceptually flawed. Other scales assume formative relationships between value and its underlying, measured dimensions, yet neglect to specify overall perceptions of value (e.g. Mathwick et al. 2001). These provide insights at the 1st order dimension level, rather than the 2nd order value level (Lin et al. 2005), measuring value at an inappropriate level of abstraction.

This study aims to address these limitations through the development of an empirically grounded customer value index within a specific consumer context.

Method

Stage 1 derived a multi-dimensional model of value and scales to measure each value dimension reflectively. Stage 2 produced an index to measure value formatively, as a 2nd order construct comprising 1st order reflectively measured dimensions.

Stage 1: Development of customer value model and first order dimension scales

A multi-dimensional model of value was derived from a qualitative investigation of 101 current PTV subscribers. Sixty in-depth interviews took place, 30 by telephone and 30 within respondents' homes, involving multiple family members and ensuring the capture of both individual and collective value dimensions. Model comprehensiveness was further supported by the discussion during interviews of real-time experience tracking data (Macdonald et al., 2012), provided by participants over a 7-day period prior to their interview. 16 distinct dimensions of value were derived from a thematic analysis of interview transcripts (King 2004). Measurement items for each dimension were developed in the form of agree/disagree statements, drawing on the qualitative data for suitable phrasing. A panel of four scholars reviewed the items, ensuring their clarity and face validity.

The resulting scale consisted of 123 items, 119 measuring value dimensions and 4 forming an overall reflective measure of value, required for index evaluation in stage 2. 430 responses were gathered from existing PTV subscribers and the data split into two equal samples (A and B). Analysis of sample A produced reliable and more parsimonious dimension measures. Subsets of questions for each dimension were examined individually. Principal component analyses were carried out using SPSS software to assess unidimensionality. Item communalities and factor loadings were reviewed to ensure minimum levels of 0.50 and 0.40 respectively (Hair et al. 2006); any below these thresholds were considered for exclusion. Cronbach's alphas were

then calculated to measure reliability, with a minimum threshold of 0.70 (Hair et al. 2006). Items were excluded in a stepwise manner and the process repeated until uni-dimensional, reliable 3 or 4-item measures remained. Using sample B the purified measures were reanalysed to ensure consistent uni-dimensionality and reliability, and to assess validity. Three-item measures were subject to further principal component and Cronbach's alpha analyses. Four-item measure uni-dimensionality was assessed via confirmatory factor analysis using AMOS software; acceptable fit indices (χ^2 , CFI, TLI and RMSEA) were required (Hair et al. 2006). Construct reliability was measured via the squared sum of factor loadings; a minimum of 0.70 was sought (Hair et al. 2006). Convergent validity was examined via factor loadings and the average variance extracted; thresholds of 0.70 and 0.50 respectively were applied (Hair et al. 2006). The discriminant validity of all measures was assessed by correlating dimension scores with totals from pre-existing scales measuring the similar, yet different non-value constructs of satisfaction (Gustafsson et al. 2005), value for money (Brady et al. 2005) and gratitude (Palmatier et al. 2005), included in the survey. Nomological validity was assessed by correlating dimension scores with those from affective and calculative commitment (Gustafsson et al. 2005) and trust (Morgan and Hunt, 1994) scales, constructs with a theoretical link to value.

Stage 2: Customer value index development

The remaining 60 items were issued to a further 460 PTV subscribers and the data split into two equal samples, C and D. To avoid the capture by the index of redundant information (Diamantopoulos & Winklhofer 2001), multi-collinearity between dimensions was assessed via the calculation of dimension variance inflation factors (ViFs), using sample C. Dimensions with ViFs exceeding 5 showed excessive multi-collinearity and were excluded in a step-wise manner. The index was then evaluated using partial least squares structural equation modelling and the SmartPLS software (Ringle et al. 2005). Bootstrapping procedures analysed the significance of relationships between individual dimensions and overall value (t -values). Any below 1.96 were not significant at

the 5% confidence level and were omitted (Hair et al. 2011). The strength of relationships (path coefficients) between dimensions and overall value was calculated. An R^2 value indicated the extent of variance in value explained by the index; a minimum of 0.75 was applied (Hair et al. 2011). Index predictive capability was assessed via blindfolding, producing a Q^2 statistic; values above zero indicate predictive capability (Hair et al. 2011). Using sample D the resulting index was re-evaluated to ensure consistency of findings. Discriminant and nomological validity was assessed via linkage of the index to relevant, reflectively measured non-value constructs, again included in the survey (Diamantopoulos & Winklhofer 2001). Subsequent model evaluation generated path coefficients between the index and the non-value construct, with the R^2 statistic confirming the extent of non-value construct variance explained by the model.

Results and Discussion

Stages 1 and 2 produced an index comprising 20 measurement items and six distinct customer value dimensions. Table 1 summarises the results of sample C analysis. The 16 dimensions evaluated are shown with reasons for subsequent exclusions. Path coefficients and t -values for the retained dimensions are detailed. R^2 and Q^2 statistics are provided. Table 2 shows the output from the sample D analysis of discriminant and nomological validity.

Table 1: Summary of findings from data analysis

Dimension	Example Item	Path Coefficient	Significance (t-value)
Entertainment	PTV provides me with entertainment.	0.2715	4.8574
Economic	PTV is cheaper than other types of entertainment.	0.2158	4.6057
Comfort	Having PTV means I can watch TV in comfort	0.1789	2.7216
Control	Having PTV gives me control over my time.	0.1788	3.6638
Assurance	My PTV system never lets me down.	0.1544	2.9774
Reciprocity	The PTV provider values me as a customer	0.0947	2.1566
R²	0.80		
Q²	0.61		
Altruism	Having PTV means I can offer things to other people	Excluded due to non-significant relationship between dimension and overall value.	
Companionship	Having PTV helps me feel less lonely.		
Knowledge	PTV helps me to be knowledgeable		
Home Harmony	Relationships at home are more peaceful because of PTV		
Status	People respect me because I have PTV.		
Ease of Use	Using PTV technology is hassle-free		
Relationship	Friendships are strengthened because I have PTV.	Excluded due to excessive multicollinearity	
Self-Esteem	Having PTV boosts my self-esteem.		
Stimulation	PTV helps me feel exhilarated		
Relaxation	My PTV package helps me relax		

Table 2: Discriminant and nomological validity analysis

Discriminant Validity				Nomological Validity			
Non-Value Construct	Path Coefficient	Sig (t-value)	R ²	Non-Value Construct	Path Coefficient	Sig (t-value)	R ²
Satisfaction	0.8407	37.9577	0.71	Affective Commitment	0.7240	21.1950	0.52
Value for Money	0.8338	32.3941	0.60	Calculative Commitment	0.7238	24.6857	0.52
Gratitude	0.8161	33.1615	0.66	Trust	0.7651	26.8726	0.58

The R² of 0.80 (Table 1) exceeds the threshold of 0.75 (Hair et al. 2011) indicating sufficient explanation by the index of the variance in overall value. The Q² of 0.61 confirms index predictive capability. Evaluation of sample D data provided consistent results (R² = 0.82; Q² = 0.62). Table 2 evidences the discriminant validity of the value index. Due to the related yet different nature of the non-value constructs, significant relationships between the index and these constructs were anticipated (Diamantopoulos and Winklhofer 2001). The R² relating to the explained variance of each non-value constructs was expected to be lower than that pertaining to customer value. As Table 2 shows, relationships are significant and each R² is below that relating to value measurement. Nomological validity is similarly evidenced.

A review of Table 1 highlights areas requiring further investigation. Firstly, as face validity checks confirmed dimensions as conceptually distinct, the presence of multi-collinearity implies potential hierarchical between-dimension relationships. This seems plausible as, for example, the dimensions of relaxation and stimulation might feasibly give rise to entertainment value at a more abstract level. Further investigation is therefore required into between-dimension relationships, to confirm the existence of hierarchies and any variation in the hierarchical level at which dimensions influence overall value perceptions. Secondly, qualitative respondents articulated 16 value dimensions

yet a relatively large proportion (six) was subsequently excluded due to non-significant relationships with overall value. Furthermore, all collective value dimensions (e.g. household harmony) were omitted. This variation in qualitative and quantitative findings may be due to the intermittent nature of the excluded dimensions and the subsequent failure of the agree/disagree statements to access these inconsistent perceptions. Further investigation into this potential complexity is required to ensure comprehensive value measurement.

Conclusion

Accurate value measurement is a vital constituent of value-maximizing marketing activities. This study presents progress towards achieving this goal and makes three contributions. First, a reliable and valid index to measure value arising from PTV consumption is developed, overcoming many of the limitations of existing scales. The empirically derived underlying value model surmounts the poor empirical grounding of existing multi-dimensional measures. Taut conceptualisation avoids confusion with perceptions of quality and a holistic research approach facilitates the inclusion of individual and collective value dimensions. The treatment of value as a 2nd order construct ensures measurement at an appropriate level of abstraction. The second contribution is methodological. As value is context specific the index is limited to use in examining PTV consumption. However, methodological requirements for index construction are presented, applicable in multiple contexts. Finally, areas requiring further investigation are identified to support the further enhancement of value measurement.

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